

Saturday July 6 1996

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Not just a pretty face...

Damon Albarn on poetry (and Oasis)

Outlook page 17

John Mortimer on global warming

Siestas in Swindon

Outlook front

Exclusive Christiane Amanpour interview

The million dollar woman

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Smear campaign sparks safety fears over Dalai Lama's UK visit

Madeline Bunting
Religious Affairs Editor

MEMBERS of a British-based Buddhist sect are behind an aggressive international smear campaign to undermine the Dalai Lama — one of the world's most revered religious figures and political leader of Tibet — ahead of his visit to the UK this month.

The Dalai Lama is accused of being a "ruthless dictator" and an "oppressor of religious freedom" in direct contradiction to his message of religious tolerance, according to a spokesman for an organi-

sation called the Shugden Supporters Community, based in Pocklington, Yorkshire, which has been distributing press releases to 400 worldwide news outlets.

Members of the Shugden Supporters Community (SSC) belong to one of the fastest-growing and richest sects in the UK called the New Kadampa Tradition (NKT), whose headquarters are in Ulverston, Cumbria.

The sect has expanded dramatically since it was founded in 1991, and is now the biggest Buddhist organisation in the UK with more than 200 affiliated centres at home and more than 50

abroad. Membership is put at about 3,000.

The founder of the NKT is a Tibetan monk, Geshe Kelsang, who has lived in Britain since the late seventies.

Kelsang is in almost permanent semi-retreat in Cumbria and speaks little English, although he is the author of 16 books on Buddhism, two of which have reached the UK bestseller lists.

Former members maintain that the Department of Social Security has unknowingly played a critical part in funding the NKT's rapid expansion. NKT associates have acquired at least five large properties in the last year and

a significant proportion of the 300-odd residents of their centres claim housing benefit of up to £50 a week.

The benefit is paid as rent and used to service the large mortgages on properties. Among the properties acquired recently is Ashe Hall in Derbyshire, a neo-Jacobean mansion in 38 acres.

Organisers are concerned for the safety of the Dalai Lama during his week-long visit to the UK, starting on July 15. There have been threats from the SSC of demonstrations in London and Manchester where he is scheduled to speak before large audiences.

At a demonstration last month outside the Office of Tibet in London, hundreds chanted anti-Dalai Lama slogans and carried placards saying "Your smiles charm, your actions harm."

The SSC maintains that the Dalai Lama has banned a centuries-old Buddhist practice and claims that Tibetans in India have been dismissed from their jobs, monks expelled from their monasteries, houses searched and statues destroyed.

The Tibetan government-in-exile's London representatives at the Office of Tibet vigorously deny the allegations. Amnesty International says

the SSC has yet to substantiate its allegations.

At disputes between Kelsang and the Dalai Lama — the latter has the backing of the majority of the Tibetan religious and political establishment — is the spiritual practice of worshipping a deity called Dorge Shugden.

To supporters of the Dalai Lama, this practice can become demonic. The Dalai Lama has warned his students against it and says this spiritual practice threatens his life and the future of the Tibetan people. The NKT and SSC maintain Dorge Shugden is a Buddha.

In the last few weeks, the SSC has launched a letter-writing campaign to the Home Secretary asking for the Dalai Lama's visit to be stopped; draft letters have been distributed by NKT trained teachers to their students, claiming that his visit will "do nothing other than harm" and accusing him of "persecuting his own people."

The Office of Tibet is understood to be deeply alarmed by the high-profile, well-funded campaign which lists branches in NKT affiliated centres throughout the world on its Internet website.

The concern among British supporters of Tibet is that the SSC campaign will play directly into Chinese hands. As a Nobel Peace Prize winner, the Dalai Lama has had enormous success in raising the profile of the cause of a free Tibet — the country has been occupied by the Chinese since 1950. The Chinese see the undermining of his reputation as a world religious leader as an effective way to weaken support for Tibet.

The UK's Tibet Society, one of the hosts for the Dalai Lama's visit along with 27 UK Buddhist organisations, accuses the SSC of being "sectarian" and of "going directly against the basic premise of Buddhism, which is compassion and benefit of others."

Clarke kills tax cut hopes

Larry Elliott
and Michael White

CHANCELLOR Kenneth Clarke will snuff out Conservative hopes of big pre-election tax cuts with a blunt warning to the public spending Cabinet this month that a structural shortfall in Britain's tax revenues rules out a Budget giveaway.

Senior Treasury sources believe the persistently poor state of the Government's finances means there is no case for a voter-friendly Budget package and that fiscal policy should ideally be tightened rather than loosened.

In a message that is certain to alarm Conservative right-wingers, the Treasury admits privately that its old models for calculating tax receipts have "gone wrong" following the 50 per cent overshoot in public borrowing last year.

"There is a big looking structural" one, a senior source said, admitting that the Treasury could find no simple explanation for the loss of £10 billion in expected tax receipts in the 1995/6 financial year.

Opinions expressed by officials include the growth of the black economy following the decision to increase the VAT rate to 17.5 per cent in the early 1990s, and the ability of multinational companies to shift tax liabilities around the world.

The Treasury also acknowledges that changes in the labour market may have had an impact. It accepts that it may have overestimated the extent of so-called wage drift — the gap between payments and bargains top up basic pay settlements.

Mr Clarke will use the Treasury's gloom over the public finances as a weapon in the opening phases of what promises to be a tough pre-election spending round. He is determined that spending next year should hit the target of £28.5 billion, and preferably be somewhat lower.

Senior Treasury sources are concerned at the mounting

cost of the interest that has to be paid to service public borrowing and disappointed at the failure of the Private Finance Initiative to plug the gaps in the Government's capital spending programme.

Despite the pressure to spend more and tax less, the Chancellor is arguing that the Government's main task is to restore the credibility for economic management lost on Black Wednesday and never regained.

Before next week's Commons summer debate on the economy, Mr Clarke is expected on Tuesday to scale down his growth projections from 3 to 2.5 per cent and increase the PSBR from £22.5 billion to around £28 billion.

However, he will also argue that the "growth pause" in the economy is coming to an end, and will use yesterday's announcement of the 1,000-job Taiwanese investment in Leicestershire as evidence that activity will pick up this year.

The prospect that Mr Clarke will refuse to slash spending and taxes in his November Budget — unless John Major opts reluctantly for an early election — will lay him open to the accusation that, like Labour's Roy Jenkins in 1970, he threw away the only chance of snatching victory at the polls.

Shadow chancellor Gordon Brown's cautious refusal in the new Labour policy statement to make tax pledges ahead of Mr Clarke's budget stems from his wariness of falling VAT and other tax revenues — which Mr Clarke is seeking to buttress with the sales of nuclear power and Ministry of Defence homes worth £1.6 billion.

Mr Brown said last night: "The Chancellor has already admitted that he made a mistake in last year's Budget. There is a hole in the public finances. He now needs to tell us how large the hole is, why it has occurred and what action he proposes to rectify the problem."

Clarke labels Brown's plans incompetent, page 4; Brown's admission on financial tax, and Notebook, page 22



The scene yesterday in Electric Avenue, Brixton, where Nelson Mandela will end his state visit next Friday after a week of pomp and ceremony

PHOTOGRAPH: MARTIN GODWIN

Mandela bridges divide between royalty and Railton Road

Sharrath Nicol

WELL fed on Her Majesty's breakfast, Nelson Mandela will say farewell to the Queen next Friday and join Prince Charles for a trip across the Thames. They will travel from Buckingham Palace to Brixton, shifting from the heart of the establishment to the soul of Black Britain.

From Railton Road and across Coldharbour Lane

the crowd will mass on Brixton Station Road waiting for a glimpse of the man who changed the world.

Stalls will dot the sidewalk and the wares the public will be buying, they say, are the determination, the character and the strength of the South African leader.

"He's very dignified," said Michelle Maxon, heading home along the Brixton Road yesterday. "He's a very good role model."

Mandela arrives on Monday for the first state visit by a South African president. The Queen, still enchanted by her visit to the Rainbow Nation 18 months ago, has organised a week-long shindig.

But once the salutes have blasted from the Tower of London and Green Park, and the politicians, businessmen and academics have feted him, then Mandela will head south.

As people in Brixton rushed home from work yesterday, the imminent arrival of Nelson Mandela caused little stir. Most smiled self-consciously with regret at their own indifference.

Some were effusive. "South Africa is very lucky to have a man who has suffered for them and now can unify them," said Segun Ogunbunmi, a businessman. "A man who had been locked up for so long and still said 'Let's forget our differences', a man for

whom suffering did not deter his commitment."

Others were not. "I wouldn't break my neck to see him," said Frank Henry, a 44-year-old. "He's a token leader whose policies now are completely different from when he came out of prison. It's a bit like the Labour Party."

Some thought the visit was encouraging. "What he says to me is that if you feel your point is right then keep going to the bitter end," said Clive Gordon, aged 33.

One thing is for certain: when the royal car arrives outside Brixton Recreation Centre, Mandela will step out into a flood of joy and wash in the honour that he inspires among his supporters. After an hour, he will head to South Africa's problems as the people of Brixton head home towards theirs.

Anthony Sampson, Outlook, page 15

Holiday chaos looms as BA pilots threaten indefinite strike

Seamus Milne
Labour Editor

ALL British Airways pilots could be grounded indefinitely from July 15 after the pilots' union said yesterday that it would strike unless the company shifted its position in a dispute over flight crew pay.

"An all-out unlimited stop-

page — common in the 1970s, but virtually unheard of today — would be likely to ground the bulk of BA's 525 daily flights, bringing chaos to Britain's airports at the height of the holiday season.

Announcing the strike date, Chris Darke, general secretary of the British Airline Pilots' Association, said he was willing to restart negotiations to avoid such a disruptive

walkout, but it appeared that BA was "content for the strike to go ahead."

The only contact he had had from BA since the announcement of the 90 per cent pilots' strike vote on Wednesday had been two "short and frankly silly" letters asking for clarification where none was needed, he said. He was trying to give BA a little more time, but could not wait forever.

But BA said last night that it had made a revised offer — self-funding — which had not been put to the pilots and which was unknown to them when they took their decision to back a strike. "The ballot was therefore out of date," said a spokesman.

"This new offer was constructed after listening to our pilots. We are ready to talk. Turn to page 3, column 4.

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2 CHRONICLE/NEWS

Carey's moral crusade

Madeline Bunting and Donald McLeod
THE Archbishop of Canterbury put his authority on the line yesterday to launch a crusade to reinvigorate the morality of the nation...

The archbishop's warnings won the backing of the Home Secretary Michael Howard, Dr Nick Tate, head of the Schools Curriculum and Assessment Authority...



Graven images: Tintoretto's 16th century portrayal of the Adoration of the Golden Calf, condemned by God, Moses and the Ten Commandments

'Rules do not get in the way, they make it all possible'

Extract from Dr Carey's speech to the House of Lords: 'One of my consistent concerns since I became Archbishop of Canterbury has been, in common with other religious leaders, to highlight the dangers of moral relativism and privatised morality...

and right as a private taste and individual opinion only. Under this tendency, God is banished to the realm of the private hobby and religion becomes a private activity for those who happen to have a taste for it...

pointing out that children spend a small part of their time in education. Schools can only reinforce the morality inculcated by family and the wider society...

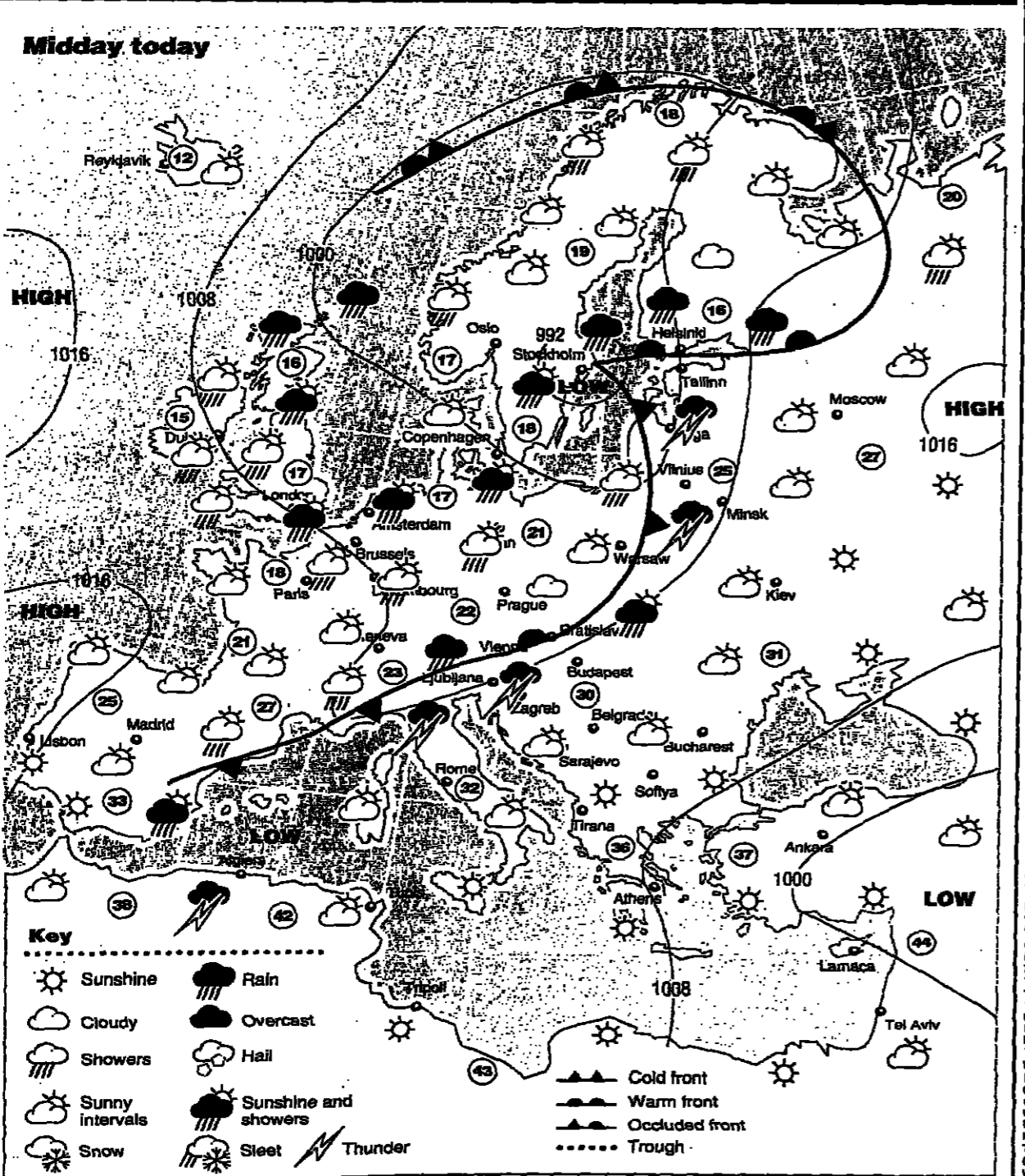
school children and more secondary school children attending daily worship. Karin Pappenheim, director of the National Council of One Parent Families, praised Dr Carey for addressing an issue of widespread concern...

the young which received widespread publicity in January. The report of the conference published yesterday called on schools to develop an explicit set of values...

challenge the pervasive notion that nothing is ultimate, that there is no right or wrong. Like some other members of Your Lordships' House, I was privileged to watch several games of soccer in the recent European Cup...

Earlier Doctor Michael Painter, consultant in communicable-disease control at the Manchester health authority, also spoke of the need to provide adequate care in the community if CJD became an epidemic...

The weather in Europe



Forecast for the cities: Table listing weather forecasts for major European cities like London, Paris, Rome, and Moscow.

Around the world: Table listing weather forecasts for various global locations including Tokyo, Sydney, and Cape Town.

European weather outlook: A text-based summary of weather trends across Europe, mentioning high pressure over the North Sea and low pressure over the Azores.

Television and radio - Saturday

Television and radio - Saturday: A detailed list of TV and radio programs for Saturday, including BBC 1, BBC 2, and various radio stations.

Television and radio - Sunday

Television and radio - Sunday: A detailed list of TV and radio programs for Sunday, including BBC 1, BBC 2, and various radio stations.

'Flaw' in BSE culling rules

Peter Hetherington

NEW measures are urgently needed to plug a loophole in the ban on cattle over 30 months old entering the food chain...

Government departments were being pressed on the issue while ministers were actively looking at amending regulations...

Earlier Doctor Michael Painter, consultant in communicable-disease control at the Manchester health authority, also spoke of the need to provide adequate care in the community if CJD became an epidemic...

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July 1996



In rehearsal for tonight's Wembley concert, the three tenors Luciano Pavarotti (top), Plácido Domingo (left) and José Carreras

Three tenors for the price of 1½

Alex Bellis
THE recent British affliction of swaths of empty seats at its proudest sporting arenas looks set to continue tonight for the Three Tenors concert at Wembley stadium.



Four thousand tickets are still unsold for the British leg of the international tour by Luciano Pavarotti, Plácido Domingo and José Carreras, which was expected to be sold out weeks ago.



John Major and his wife, Norma, are two of the 52,000 current ticket holders who will be watching the jumbo-sized songsters belt out popular classics

often best known from TV adverts and theme tunes. Tickets range from £35 to £350 and have already brought in £7 million to the box office. The German promoter, Mattheus Hoffmann, is now offering two £210 seats for the price of one.

He is hoping the stadium will avoid looking like Wimbledon's centre court did this week or most of the Euro 96 games did last month, with dozens of rows of empty places. A spokesman for Hoffmann Concerts said last night: "Tickets remain unsold in covered and uncovered areas. The forecast is good and people should not worry."

Security monster threatens peace, warn critics

Arafat's tentacles grip Palestinians

David Hirsh in Gaza

YASSER ARAFAT, the Palestinian leader, is building a police and security force so large and costly it will become a serious danger to himself and to the peace process it is supposed to protect, say Western diplomats, aid workers and even some of his senior officials.

Disregarding the Oslo Accord, under which his Palestinian Authority was supposed to have a single police force of no more than 12,000 men, Mr Arafat has recruited between 40,000 and 60,000 men to an array of security and intelligence agencies.

Under his personal control, they are engaging in systematic extortion and often whimsical repression. Reinforcing this apparatus of control is the state security court. This secret military tribunal, which generally meets in the middle of the night, denies defendants the right to prepare a defence — or even to prior knowledge of the charges against them.

Nursery bid by Group 4

John Carvel Education Editor

FOUR-year-olds may not be quite as unruly as they are sometimes cracked up to be these days, but it could be a sign of the times that arrangements for ensuring the quality of their education may soon be put in the hands of a security company which made its name for tackling bank robbers.

Mr Woodhead has decided to privatise the job to help his in-house team at the Office for Standards in Education's catch up with a serious backlog of primary school work.

Chris Leonard, managing director of Securitas Recruitment Services, said the company knew all about the logistics of supplying contract staff, but would leave the educational decisions to Ofsted.

Security alert on march

Orangemen ruling goes to the wire as riot-police are drafted in

David Sharrock Ireland Correspondent

A MASSIVE security operation swung into action in Northern Ireland last night to prevent a repetition of last summer's serious unrest during a Protestant church parade through a Catholic area of the Mid-Ulster town of Portadown.

Others fear that a violent backlash would play into the IRA's hands, giving them the excuse to restart their campaign of violence in Ulster.

RUC would take. His main options are to force the parade through or to forcibly reroute it away from the disputed stretch of road.

Pilots set for indefinite pay strike

continued from page 1 without pre-conditions

Failing a negotiated agreement, there is a strong possibility that BA will try to halt the stoppage through the courts. Almost all employers who have sought injunctions to stop strikes in recent years have been given them.

The British anti-ANC lobby has had negligible influence inside South Africa. But its impact may be more pernicious — discouraging the investment which is one of Mandela's highest priorities.

Outlook page 15



CHERYLL, THE NIECE

Siege of Gloucester matched by battle of Dumfries as leaders hit the road after Labour's Road to Manifesto launch

Blair: the fast track to converting Tories



Blair and Prescott with switchers at the front, then Labour supporters, and reporters at the back PHOTOGRAPH: CHRISTOPHER JONES

Switchers like sound of New Labour policies

Sarah Boseley

IT'S FRIDAY, it's 3.50, it's Gloucester — then by Jove that must be Tony Blair. But if the ancient city in the west had blinked, it would have missed him. New Labour came, saw and conquered with the speed of the Supershuttle (across France, of course) or a message flying through the internet.

rehearsed double act of Prescott and Blair. "He's the striker and I'm the sweeper," explained Prescott. It was a tripartite audience. Seated closest were 40 or 50 "switchers" — likely defectors from other parties. Behind them were local Labour Party members. The press had standing room at the back.

ried the switchers. Better help (especially through technology) for job-seekers, enthused Blair, a society where people get on without having to step over bodies, but let's be honest — government can't cure all the problems of the housing market. Another three questions, then another three — "No," said Blair, "I'll take four even though I'm being signalled from the back." National identity cards, the NHS, tax relief for small companies and democracy. He was fluid, persuasive, articulate and suddenly gone.

was heading more carefully in the same direction. "I have always been an uncomfortable Tory in the past," he said. "I feel a lot more comfortable with the Labour Party as it is at the moment." There had been a convergence of Tory and Labour thinking, he believed. "I don't think I'm untypical of my situation."

Major: 'Insulting' Scots parliament will deter jobs

Prime Minister brings good news on investment for first-ever meeting with Grand Committee

Friend Clouston

THE Prime Minister yesterday renewed his assault on Labour's plan for Scottish devolution, warning it would produce an "insulting" Edinburgh parliament and lead to economic decline.

failure to listen to Scottish demands for change. He also refused repeated Labour requests to say how the Tories would respond to a double Yes vote in Labour's projected devolution referendum.

electronics factory at Mossend in Lanarkshire and a project by St Andrews University to republish the papers of the original Scottish parliament. Later, he laid a wreath at the Robert Burns mausoleum.

would contend that the Scottish parliament is a positive attraction." Jim Wallace, leader of the Scottish Liberal Democrats, pointed out that regional autonomy had been no barrier to companies like British Steel investing in Spain.

ferred voting system for the Scottish parliament, whereby 56 of the 129 MSPs will be nominated from party lists. These "placemen" he warned, would have the deciding say if the elected representatives were divided on any issue.

Mr Robertson told the committee, in which the 10 Tory MPs were outnumbered nearly 5-1, that Scots resented being informed by the Prime Minister that their interests in "modern" control over their lives was "seepage madness".

Minister that if he continued to "dismiss and rebuff" Scottish complaints, "he endangers the unity of the country".

servants, 5,000 quango members and \$14 billion funds. Alex Salmond of the Scottish National Party said sovereignty had permitted the Irish to have a 10 per cent corporation tax rate, which last year had helped attract 114 inward development projects to Scotland's 80.



John Major in Dumfries before addressing the Grand Committee PHOTOGRAPH: MURDO MACLEOD

Clarke labels Brown's plans 'incompetent'

THE Chancellor, Kenneth Clarke, last night insisted that Tory criticisms of Labour's tax-and-spending plans are entirely justified, and prove just how "incompetent" are Gordon Brown's claims to fiscal rectitude.

Clarke claims to be at least 25 "uncoated spending pledges" above the five identified as trail-blazers by Tony Blair. Some members of Labour's National Executive Committee this week hoped to highlight up to 100 such pledges — until warned off by the leadership.

target its attack, the Chief Secretary to the Treasury, William Waldegrave, complained that the only precise figure in Labour's new programme was the price of its policy statement — £10. "It is impossible to parody... this brand of all things to all men policy-making contains and encourages huge dangers," he told a City audience.

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July 1996



Captain Oleg Vandenko at North Shields, with his once proud Tovarisch, and (right) in his oak panelled cabin on the ship. What began as a charitable venture by a group of Geordies to help an old captain has become a nightmare PHOTOGRAPHS: TED DITCHBURN

Former pride of Soviet navy in cash doldrums on the Tyne

Peter Hetherington on the year-long plight of the Ukrainian barque Tovarisch, held at North Shields after failing a series of safety inspections

WHEN Captain Oleg Vandenko's magnificent tall ship limped into the Tyne, he dreamt of another golden age of sail after badly needed repairs in dry dock. But a year later, the three-masted training barque Tovarisch, once the pride of the Soviet navy and countless international races, lies moored

at North Shields under detention by the Marine Safety Agency after failing a string of safety inspections. What began as a charitable venture by a group of Geordies to help out an old captain in distress — and bail out his ship's near-bankrupt owners, the Ukrainian government — has become a nightmare for him and his

fast-depleting crew, now down to four. The five get no wages from the education ministry in Kiev, and depend on support groups and Tyneside charities for food and generator fuel. Captain Vandenko, 63 and ailing from diabetes and a heart condition, thinks he is being made a scapegoat and fears arrest if he returns to

his home in the Black Sea port of Kherson. "I am very angry," he laments in his oak-paneled cabin adorned with Newcastle United memorabilia. "For a long time we have had no money from our government but the working people from Tyneside come here and help us, old seamen as well. Beautiful people. Very friendly."

Yesterday, on the first anniversary of the detention order, new attempts were being made to remove the Tovarisch, which had a crew of 45 and 100 naval trainees. Built in Hamburg in 1933, the 1,000-tonne ship was scuttled by the German navy in the Baltic in 1945, then raised in 1947 by the Soviets and rebuilt. Teesside Development Cor-

poration, a government agency, now wants to tow it 30 miles to Middlesbrough, to take pride of place in a new tall ships centre. Up to £400,000 is on offer to begin repair work, provided it passes a safety examination commissioned by the Corporation, and agreement can be reached with the Ukrainian government. However, opinions about the vessel's seaworthiness vary. The Marine Safety Agency says while servicing for lifeboats and rescue boats is overdue, her decks are "washed by corrosion in many places". "But the engine is not good, either," volunteers the 36-

year-old radio operator, Victor Tabala. "There are other problems, too. It is not good." The Tovarisch began an association with Tyneside during a tall ships race, from Newcastle, three years ago. A charity group and local teenagers sailed on the first leg, from the Tyne to Bergen in Norway, then asked the captain to return with the promise of tens of thousands of pounds for renovation. But when the ship entered dry dock last year, £2 million of necessary repairs were identified — and as no one has been able to find the cash, the Tovarisch remains tied up on the Tyne.

Improved detection reveals £60m local government fraud

James Melkie
Community Affairs Editor

THE amount of fraud detected in local government has nearly doubled in two years to between £60 million and £70 million a year, according to figures to be published by the Audit Commission. Illegal claims for housing benefit and student grants, distributed by councils but mainly paid by the Government, account for most of the money which is increasingly being siphoned away by organised gangs. More than 150,000 cases of fraud are thought to have been detected during the 1995-96 municipal year, compared with 83,000 cases involving £36 million in 1993-94 and 112,000 cases involving £46 million in 1994-95. The commission, which is

still analysing the figures, believes better detection methods — including computer checks — and more co-operation between local authorities, the police and other public bodies account for some of the increase but it does not know "how much of the iceberg" remains uncovered. The figures pale beside some estimates of housing benefit fraud, which the Commons social services select committee has said may total £3 billion a year. The commission says local government is more "sinned against than sinning" with relative few cases involving deliberate wrongdoing by staff. It also argues that the money represents a small proportion of the £44 billion spent by local authorities, the £10 billion housing benefit bill and the £2.8 billion student support bill.

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6 WORLD NEWS

Report links Zedillo to kickback

Phil Gunson in Mexico City

MEXICO has threatened unspecified legal action against the New York Times over an article in yesterday's edition which implicates President Ernesto Zedillo in a questionable government payment to a businessman in 1989.

At the time, Mr Zedillo was budget secretary in the government of Carlos Salinas de Gortari. The \$7 million (£4.5 million) payment was made to Maseca, a company owned by Roberto González Barrera — the self-styled "torilla king" of Mexico.

According to Forbes magazine, Mr González ranks number 11 on the list of Mexican billionaires, with \$1.1 billion.

Most of his wealth was accumulated under the government of his close friend Carlos Salinas, whose brother Raúl is in jail awaiting trial on charges of murder and "illicit enrichment".

In 1989, Raúl Salinas was the planning director of Conasupo, the state agency charged with distributing goods to the poor at subsidised prices.

Conasupo gave the \$7 million to Maseca in compensation for delays in paying subsidies to the company. However, the New York Times says lower-ranking officials had advised the government that the payment was "unjustified and probably illegal".

The newspaper bases the claim on documents provided by an independent congressman, Adolfo Aguilar Zinser, a former close aide to Cuauhtémoc Cárdenas of the Party of the Democratic Revolution

(PRD). Mr Aguilar, a member of the multi-party congressional commission investigating Conasupo, is not accusing the president of having benefited personally from the transaction. Influence-peddling within the government, he told the newspaper, was "so widespread there didn't need to be any personal benefit". However, he does argue that Mr Zedillo's decision was crucial in circumventing opposition within the government.

In a communique issued late on Thursday, the Mexican government said the article contained "slanderous insinuations". It accused the correspondent, Anthony DePalma, of refusing to take into account information offered by the president's office "even before seeing it", and suggested: "Perhaps the aim of the article and the motivation of [Mr DePalma's] informant was not that of informing public opinion."

Nancy Nielsen, a New York Times spokeswoman, said the paper stood by its story, which she said was "thoroughly and accurately reported. It speaks for itself". Like many of his predecessors, President Zedillo has committed himself to eradicating government corruption.

Mr González Barrera is the latest in a series of businessmen to be publicly accused of benefiting from links with Raúl Salinas.

Another is Ricardo Salinas Pliego (no relation), the owner of Mexico's second-biggest television company, TV Azteca. Mr Salinas Pliego this week admitted receiving a \$29 million loan from Raúl Salinas at around the time of his successful bid for the privatised television concession.



Faceless in the crowd... Zapatista leader Subcomandante Marcos is besieged by fans at a forum in San Cristobal, Mexico, to air the rebels' grievances

Barefaced cheek of Bogotá's eccentric mayor

Red cards for drivers and Marcel Marceau-style cops are just two of Citizen Mockus's ideas, Mary Matheson in Bogotá writes

NELSON Barreras, aged eight, enters a booth, draws his uncle's face on a balloon and squeezes until it bursts. He sticks a wish on a "tree of desires", is given a symbolic "vaccination" — a drop of water in the mouth — and is sent on his way.

This is a "vaccination against violence" day, intended as a form of therapy for abused children in Bogotá, capital of Colombia and the murder capital of Latin America. About 40,000 people have had the anti-violence vaccination in the past four months. This is not the only odd thing about Bogotá.

And jaywalkers are liable to be followed down the street by white-faced mime artists imitating their every move — the idea being that they will be embarrassed into mending their ways.

These are just some of the unconventional schemes of Ananias Mockus, Bogotá's eccentric mayor. Simply on appearances, Mr Mockus, aged 44, is different from most Colombian politicians in their Gucci shoes and Pierre Cardin suits. He rarely wears a tie and bears a passing resemblance to Abraham Lincoln, with a

bowl haircut and chinstrap beard. It is his distinctiveness which won him 70 per cent of Bogotá's votes in 1994. He is part of Latin America's current vogue for "anti-politicians", independent of the corrupt and inefficient traditional parties, and is often likened to President Alberto Fujimori of Peru.

Both entered politics from the academic world, and are the sons of immigrants. Mr Mockus's parents were from Lithuania. He gained notoriety in Colombia two years ago when he showed his bare bottom to a heckling audience of university students. "It was a sign in a war of signs," he said.

"Maybe if I'd had a whistle, I would have whistled." He now wears a whistle around his neck, just in case.

Since taking office, Mr Mockus has continued to entertain Bogotanos. In January he got married in the lions' cage of a circus tent, and he and his bride left for the wedding reception on an elephant.

His policies, such as the vaccination against violence, are as unorthodox as the man himself. Unconvinced by traditional methods for tackling the problems in this anarchic city of 7 million, he is trying to change public behaviour and create a "citizen's culture". Hence the red cards which he introduced to short-circuit road rage, an all too common complaint in a city where a red light is usually looked upon less as a stop sign than as a challenge.

"The crucial point of a citizen's culture is learning to correct others without mistreating them, or generating aggression," said Mayor Mockus.

Mistreating and generating aggression is generally thought to be the stock-in-trade of the city's police, a byword for corruption and brutality. Now an army of teenage police trainees, with umbrellas and faces painted like mime artists, roams the city during the rush hour trying to control traffic and pedestrians.

A pedestrian crossing the road at the wrong place will be chased by a "mime artist" who will shadow his every move. "We have found that when people know the rules and are sensitised by art or creative forms, they are more likely to

accept change," Mr Mockus said.

Although he is criticised for failing to address basic public service problems, he retains the support of 65 per cent of Bogotanos. And with Colombia's traditional politicians discredited by a drug-funding scandal, many observers are tipping him for the presidency in 1998.

Police yesterday blamed leftwing rebels for a bomb blast in Bogotá which killed a night watchman and two street children. The bomb exploded in the central Teusaquillo district of the city on Thursday night. The explosion came within hours of a police announcement of the arrest in Bogotá of a leftwing National Liberation Army (ELN) guerrilla, said to be the leader of rebel commandos operating in the capital.

Mexican synonyms list leads to complaints of 'racist' software

Phil Gunson in Mexico City

A LIST of suggested synonyms for "Mexican" included in the Spanish-language version of the Microsoft Word 6 word-processing programme has led to complaints of "racism". "Aztec" is a word often substituted for "Mexican" in official discourses. But just a mouse-click away are such terms as "vulgar",

"whining" and "ridiculous".

How about "Indian" — a term still used for the indigenous tenth of the Mexican population? According to Microsoft, "savage", "primitive" and even "cannibal" might apply.

Adriana Luna Parra, an opposition MP, said the software constituted "an attack on our country, on the sovereignty of our nation".

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Recovered memory evidence dealt blow as father is released

Ian Katz in New York

THE credibility of so-called recovered memory evidence was dealt a serious blow this week when Californian prosecutors announced they would not attempt to retry a man for the 1989 murder of an eight-year-old girl.

George Franklin Senior, aged 57, was convicted of murder and sentenced to life in 1990 after his daughter, Eileen Franklin-Lipsker, then aged 29, testified that she had suddenly remembered him molesting and killing her friend Susan Nason 20 years earlier. The reliability of such recollections, supposedly

retrieved after years of regression, has been the subject of controversy. An appeal court last year threw out Mr Franklin's conviction on the grounds that Ms Franklin-Lipsker and her sister Janice Franklin were hypnotised before they gave evidence, a practice forbidden under Californian law.

But prosecutors refused to release Mr Franklin saying they would seek a retrial. On Tuesday, however, Mr Franklin was freed after the San Mateo County District Attorney, Jim Fox, said prosecutors remained convinced of his guilt but did not believe they could "meet our burden in a jury trial".

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Crowning glories... The former king, Baudouin (left), was said to favour his niece Astrid (centre) for the succession, but his sudden death left Albert (right) monarch

Belgian heir says he's fit to be king

Stephen Bates in Brussels

AS IF to prove that Britain's monarchy is not the only troubled throne of Europe, the heir to the Belgian crown, Prince Philippe, broke royal protocol yesterday with a remarkably open assertion of his determination to become king of Belgium.

Since the 86-year-old bachelor is the oldest son of the present king, Albert II, this statement of what seemed obvious has created speculation about behind-the-scenes plotting to bypass the succession in one of Europe's most solid, not to say stolid, dynasties.

The prince's frank but apparently off-the-record discussions with journalists from Belgium's French and Flemish language newspapers follows years of gossip that he might be passed over in favour of his younger sister Astrid.

One of the commonplaces of Belgian life is that Philippe may not be up to the job that, in the words of his uncle Baudouin, the former king, he is "not ready yet".

One constitutional historian said yesterday: "There is a permanent feeling that the boy is weak. His sister would be a potential novelty as Belgium has never been ruled by a queen and she is thought stronger intellectually."

The rumours are that Philippe is not bright enough, that he does not have a strong enough personality, and that he is not married and so unlikely on current form to produce an heir.

Astrid, once spoken of as a possible bride for Prince

Powers behind the throne

ONLY one royal family — the Saxe-Coburg-Gothas of Germany — has reigned in Belgium since it gained its independence 165 years ago.

Leopold I, Queen Victoria's uncle, was the country's first monarch. He was one of several candidates approached and had already turned down the crown of Greece.

The Belgian monarchy has possibly the strongest constitutional powers in Europe with a say, though no veto, over government appointments and legislation.

In 1990, King Baudouin objected so strongly to legislation allowing abdication that he abdicated for 86 hours — he was said to be "unable to reign" — while the legislation was formally approved in his place by the government.

Charles, is now married to a Hapsburg and has four young children, including two sons. With the sort of discretion rarely seen in the royally-obsessed British press, Belgian papers have only hinted at what might be Philippe's plan.

would have to be ready on an intellectual and family basis to take over the crown.

But both papers reported favourably on the prince's apparent new dynamism. Nieuwblad said that "even the camera did not bother him" during the meeting.

In his discussions with the journalists, the prince made it clear that he was keen to follow in his father's footsteps and that he was undertaking more strenuous activities. He was pictured helping to paddle a dinghy with a group of youngsters and it was stressed that he was leading trade delegations to the Far East and Latin America.

Speculation about the prince's future has been rife since the Belgian constitution was changed five years ago to allow a woman to succeed to the throne. The then Belgian monarch, King Baudouin — a much-loved, committed Roman Catholic, but childless — was thought to favour his devout niece, Astrid.

It was suggested that the crown would pass to a new generation, avoiding Baudouin's younger brother Albert and his two apparently unsuitable sons, Philippe and Laurent. But Baudouin died suddenly in 1993 and the prime minister, Jean-Luc Dehaene, moved swiftly to prevent a constitutional crisis by persuading Albert — only four years younger than the old king — to take his place.

One Belgian journalist said hopefully of yesterday's meeting: "It is very unusual for a prince to give an interview. This may be a cautious first step towards openness."



Prince among men... Philippe undergoing military training at the age of 19. A common view in Belgium, and one shared by his uncle, Baudouin, is that he is not ready to be king

Sarajevo airport clear and almost ready for take-off

Julian Borger in Sarajevo

SARAJEVO lost one of its great wartime monuments this week when the wreckage of a crashed United Nations transport plane was dragged off the tarmac at the city's airport to make way for commercial flights.

The plane, an Ilyushin 76 chartered from Belarus, skidded into a minefield as it landed on an icy runway in December 1994. The crew of 11 was saved but the airliner could not be removed until now for fear of detonating mines or drawing sniper fire from nearby Bosnian Serb positions.

The Ilyushin, with its nose in the mud and its tail in the air, became a familiar landmark. Planes bringing supplies into the besieged Bosnian capital had to taxi gingerly around it, and its tilting fuselage marked the gateway to the city for humanitarian aid convoys arriving along the UN road corridor across the airfield.

For many — and in many different ways — it provided a metaphor for the UN's involvement in Bosnia, reflecting a combination of well-intentioned courage with self-serving buffoonery.

General Sir Michael Rose, then the British commander of the UN Protection Force (Unprofor), suggested turning the plane into a monument to the Sarajevo humanitarian airlift. But it was pointed out that on its ill-fated last flight, the plane had been carrying crates of wine and cognac to restock the French garrison's canteen in time for New Year's Eve. After the crash a few broken bottles of alcohol were found in the cockpit.

"In the worst days before Dayton [the December 1995 peace agreement], when the airlift was stopped, I always thought it was the perfect allegory for the international effort in Bosnia — derailed and stuck in the mud," said Kris Janowski, a spokesman for the UN refugee agency, the UNHCR.

The Ilyushin's removal has a symbolism of its own. Like the removal of the sandbags and earth berms at either end of the main runway, it marks an important step towards the "normalisation" of Sarajevo's airport, which is currently administered by the Nato-led peace implementation force (I-For).

Once I-For has removed the last of the mines from around the runways — probably before the end of this month — the airport will be ready for its first regular civilian flights since the war.

Croatian Airlines and Turkey's Top Air are expected to be first in the queue to establish a scheduled service into Sarajevo.

They will fly in fair weather only, until modern navigation equipment can be installed later this year. The World Bank estimates the cost of refurbishing the airport at \$15 million.

Until the repairs are complete, most flights have to be booked through "Maybe Airlines". The self-deprecating title — reflecting the unpredictability of flights in times of fighting or bad weather — was adopted by the Unprofor air traffic managers and maintained by I-For.

Foreign journalists and aid workers may lament the passing of Maybe Airlines and its

unique passport stamp. But Sarajevans will be glad to see the back of it.

For them, it is a reminder of the siege, a time when only a handful of privileged UN-approved passengers (almost all foreigners) could fly in and out of the city.

Bosnians were reduced to creeping under the airport along a mud-filled 800-yard tunnel. A second, much larger tunnel had just been excavated when the war ended. Both are now being refilled to prevent subsidence under the runways.

The Ilyushin can meanwhile be seen skulking on the edge of the airfield, while insurance companies squabble over its ownership. It is not believed to be beyond repair, and there is talk of turning it into one of Sarajevo's more unusual nightclubs. But as time goes by and the Unprofor era recedes, it is increasingly likely to find itself consigned to the scrapheap of history.

Lebed gets tough on key post

David Hearst in Moscow

GENERAL Alexander Lebed, Russia's new and increasingly belligerent national security adviser who helped Boris Yeltsin win this week's presidential election, has threatened to quit if he does not get his way on the choice of defence minister.

He made this threat by refusing to consider anyone for the post other than his candidate, General Igor Rodionov, currently head of the Academy of the General Staff of the Armed Forces.

Gen Lebed, who campaigned on a ticket of cleaning up the army and installing law and order in the

country said: "If we want reform in the army — it's Rodionov. If we want stagnation, then it is someone else."

Gen Lebed said he faced "a real threat" from those around the president who wanted to limit his powers in the wake of Mr Yeltsin's commanding win over the communists. This was achieved by the support of Gen Lebed and many of his voters after the first round of voting.

"If everything remains as it is, the country will simply explode. I am deeply convinced that I will get the necessary powers. I will be able to create a system which starts to restore elementary order in Moscow and in the country," he said.

The conflict between Gen Lebed and Viktor Chernomyrdin, the prime minister — who has made no secret of his opposition to the general's extraordinary demands — has now come out into the open.

Mr Yeltsin, who is physically weary after the long election battle, desperately needs a period of stability. Yevgeny Yasin, the economics minister, has warned of a federal budget crisis in the autumn.

Gen Lebed, secretary of the Security Council, a body with only advisory powers, is demanding executive control of the forces ministries and the economy. He wants to control the purse strings of the armed forces and the military industrial complex.

Anatoly Chubais, the former privatisation supremo, said yesterday it would be the "gravest error" if the Security Council was given any serious economic functions.

Alexander Lebed is wonderful at making decisive declarations. But as far as the profundity and balance of those declarations are concerned, they suffer from certain defects," he said.

The turbulence created by Gen Lebed spilled over into the Duma (parliament) where Pavel Grachev, the former defence minister, was accused of corruption by Lieutenant-General Lev Rochlin, chairman of the Duma's defence committee.

Martha Woolcott, Outlook, page 14

Duma clamps down on return of art treasures seized from Nazis

Reuters in Moscow

RUSSIA'S lower house of parliament passed a draft law yesterday severely restricting any possible return of works of art and other valuables seized from the Nazis during the second world war.

The preamble to the draft law said it aimed to lay the legal groundwork for the valuables to be considered partial compensation for damage inflicted on Russia by Germany. Any handovers would be subject to individual laws which would need to be passed in each instance.

Officials from the German embassy in Moscow were not available for comment on the draft. Germany has been pressing for Moscow to give back some of the treasures.

Last year the Pushkin museum in Moscow displayed 63 paintings seized from the Nazis, including pieces by Goya, El Greco and Renoir, saying they represented only a sixth of its spoils of war. The Hermitage museum in St Petersburg unveiled a further 74 paintings by Van Gogh, Gauguin, Degas and other impressionist masters.

In its report on the passage of the draft, Itar-Tass news agency said it would affect relations with many

Chinese Communist Party breathes sigh of relief

Andrew Higgins in Hong Kong

THE Chinese Communist Party is celebrating its 75th birthday and quietly breathing a sigh of relief that the Communists lost in Moscow.

China's main television news yesterday gave prominent coverage to Boris Yeltsin's victory over his Communist rival, Gennady Zyuganov, in Russia's presidential election. It reported that President Jiang Zemin, who heads the Chinese Communist Party, and the prime minister, Li Peng, welcomed the result.

Mr Jiang, at present on a trip to Kazakhstan, sent a telegram of congratulations to Mr Yeltsin, formerly reviled in internal Chinese party documents as an apostate who destroyed the Soviet Union and betrayed communism.

"In recent years, Sino-Russian relations have flourished and, thriving, bounding forward each day," said Mr Jiang, a Russian-speaker who trained in Moscow at the Stalin car works.

When the Chinese Communist Party held its first congress in Shanghai in July 1921, an envoy from the Moscow Comintern was on hand to encourage the Chinese chapter of what was then conceived of as an international

movement. Today, however, it is narrow nationalism that defines both the Chinese and Russian parties.

Though full of praise for China's model of economic reform, Mr Zyuganov surrounded himself with advisers who see China as a potential enemy rather than as an ideological comrade. Among them is Stanislav Govorkin, a film maker who frequently accuses China of plundering Russia's natural resources and seeking to colonise Siberia.

The claim that China wants to annex Siberia is a favourite theme of the so-called national patriots who provided support for Russia's post-Soviet Communist Party.

Mr Yeltsin, in contrast, is seen in Beijing as a reliable partner willing to resist the more strident demands of Russian nationalism.

A visit to Beijing and Shanghai by Mr Yeltsin in April was hailed as the start of a "new age" in relations between two countries which, even when nominally sharing the same communist faith, have rarely agreed on anything for long.

A foreign ministry statement said yesterday: "China respects the choice of the Russian people and believes that the Sino-Russian strategic partnership oriented toward the 21st century on the basis of equality and mutual trust will be further enhanced."

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WIMBLEDON: THE FINAL WEEKEND

The men's semi-finals

Washington sows seeds of doubt

Richard Williams sees Todd Martin float like a butterfly but his opponent sting like a bee before rain called a halt at two-sets all

THE Centre Court men's semi-finals day. This is a stage on which the likes of Rosewall, Flood, Laver, Emerson, Ashe, Borg and McEnroe struggled with the fates and each other. Do you know who never even got this far at Wimbledon? Pancho Gonzales, that's who. Yesterday we watched Todd Martin and Mal Vil Washington trying to live with the legends.

It has been a heck of a match so far, in the sense that here were two professional tennis players, evenly matched, both currently ranked just inside the top 20, doing their very best to win through to the final of the championship and thereby earn a shot at immortality. But, if we are speaking in terms of charisma and excitement, it has to be said that there were times yesterday when we might have been watching the final of a club

tournament in Stoke Poges. The pair certainly had something to prove. Products of the US college tennis system, both men live in Ponte Vedra Beach, Florida, close to the ATP headquarters. Earlier this year they played together in the Davis Cup team that lost to the Czech Republic, answering the call after the bigger names - Sampras, Agassi, Chang, Courier - had withdrawn.

At the moment they are stuck on the second level. Neither of them has much in the way of identifying characteristics, never mind mannerisms. Washington's habit of wiping sweat away from his eyebrows with the flick of a forefinger is about as far as it goes, and even that must have been borrowed from old videos of the aforementioned Gonzales. But at Wimbledon this week they were presented with a chance to redefine themselves. This was their way to get off the plateau.

The very first point of the match provided both a paradox and a deception. Martin, 6ft 6in and 14st, is known for his mighty serve. Yet here he was chasing down the thinnest of net cords from Washington to stroke the ball back into an unreachable space with less power than it would take to disturb a sleeping butterfly.

Washington, a square-jawed 5ft 11in and 12st 3lb, was hoping to become the first black man to reach the final since the immortal Arthur Ashe. Faced with Martin's powerful serving and surprisingly delicate touch at the net, he was forced to put his trust in his passing shots on both wings.

One break each in the third set preface a tiebreak which Martin took with the fourth available set point. But by this time Washington was beginning to direct a series of spitting returns at the feet of the incoming server, mixing them with enough venomous passes to sow uncertainty in his opponent's mind. Even a 35-minute rain break could not disrupt the concentrated effort which brought him the fourth set with relative ease.



Navratilova... nervous

Martina lobs on after that twentieth

MARTINA Navratilova moved closer to equalling the record of 20 Wimbledon titles yesterday - but only just. It required the game's greatest lady to conquer the nerves, to maintain the between-games chatter with her occasional partner Jonathan Stark and to come up with a crafty lob return over Marcos Ondruska before a third successive victory and a quarter-final mixed-doubles place was secured.

This piece of well-timed impudence was dredged from the experience of a quarter of a century in top-class tennis and it set up a rally from which Navratilova eventually made the forehand volley that clinched the 7-6, 6-7, 7-5 victory over Ondruska, a South African of Czech parentage, and the Swiss-born Austrian Karin Kachwendt.

"We planned that lob," she said. "We had more opportunities throughout the match but couldn't convert them. I was nervous last year because I wanted to yearn. Now I'm nervous this year because I want to win. I've been knocking at the knees because I've not played for such a long time. And it's not like singles - it's more nerve-racking with a partner."

The women's final

Graf's cold could bring real Spanish comfort

Stephen Bierley on today's clash of old adversaries and playing styles

STEFFI GRAF clearly still smarting from Martina Navratilova's accusation that her pre-Wimbledon knee problem was a good deal less serious than the German had suggested, resolutely refused to talk about injury or illness before today's women's final against Spain's Arantxa Sanchez Vicario.

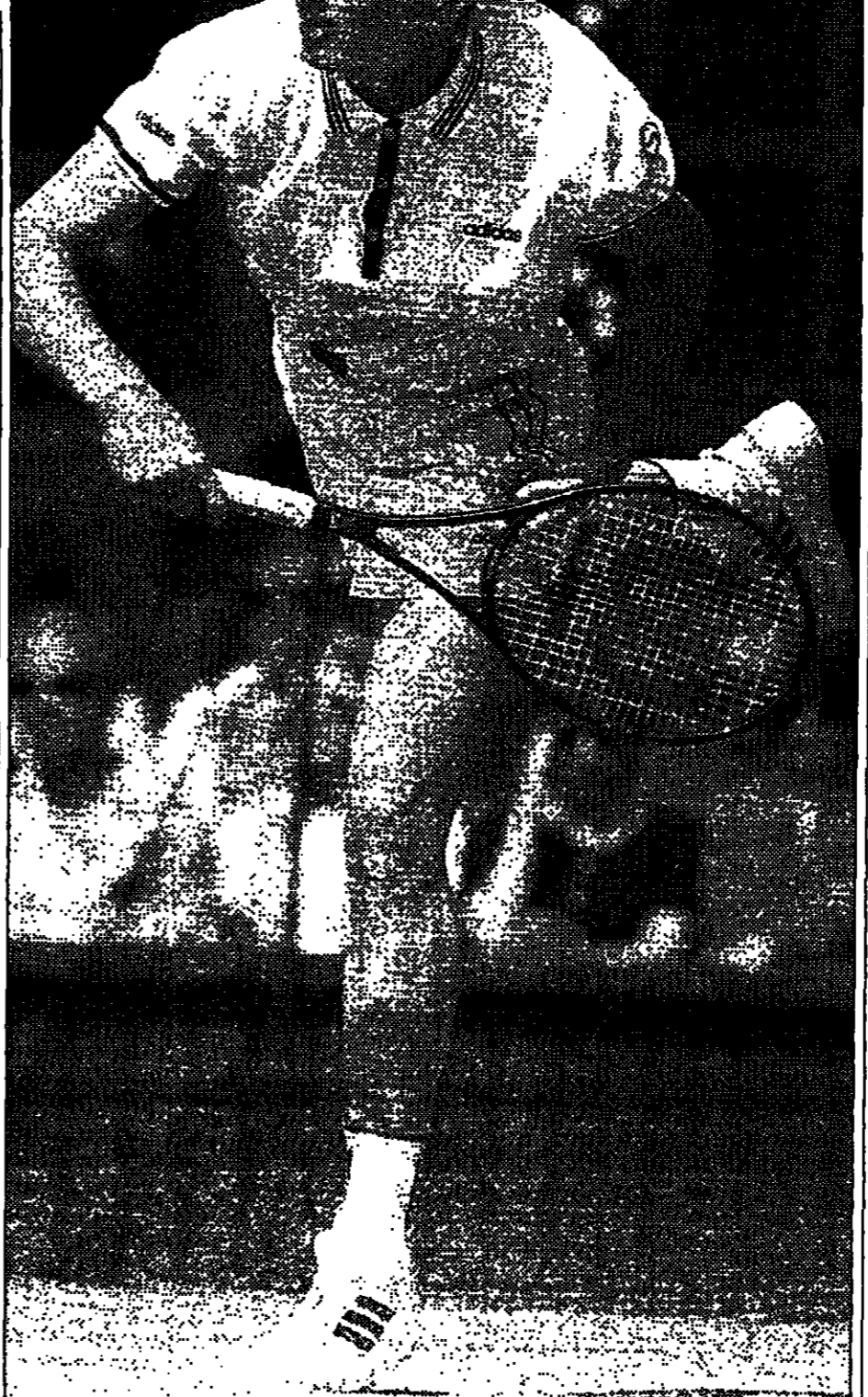


Steffi Sanchez... wears down opponents

documented; set beside these are her 19 Grand Slam singles titles. When you win, nothing hurts. It was impossible not to feel a little sorry for Date. With

year's Wimbledon final, have been marvellously fluctuating affairs. The Spanish player's style of play does not suit many. She is quite capable of playing attacking shots, and frequently does, but the core of her game is the ability to run down every shot of her opponents and force them, often through sheer frustration, into errors.

The length of her rallies but in Paris she was variously rewarded on the scoreboard as A Sanchez Vicar and A Sanchez VI ("God preserve us from the other five," remarked one French journalist). Graf's style has never been a problem to the aesthetic sporting eye, although her game is not without its frustrations. In the last set against Date yesterday she followed in one of her immense, power-packed forehands and punched away a telling volley. If she would only do this a little more often, then nobody would touch her on the grass.



Standard service... Steffi Graf concludes her semi-final business yesterday

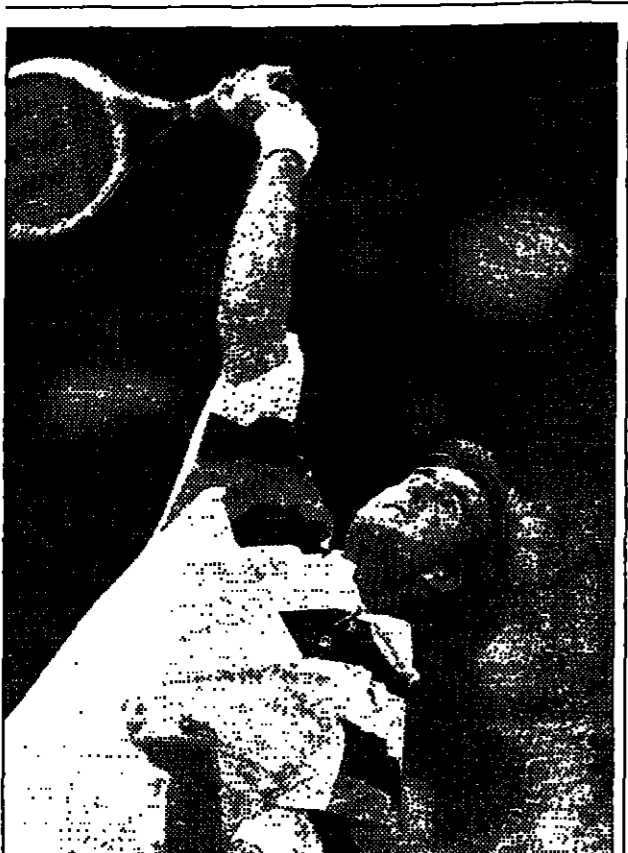
Graf 27, Sanchez Vicario 8

Table with columns: Year, Tournament, Surface, Round, Winner, Score. Lists various tennis tournaments from 1988 to 1996.

Today's final was almost equally inevitable. The men's seeds have been scattered and crushed but Graf and Arantxa Sanchez Vicario, like Tennyson's brook, appear to go on for ever. In all they have met 35 times with Graf holding an impressive 27-8 lead. But in Grand Slam events the German's dominance is much less extraordinary, her lead being only 9-4.

Standard service... Steffi Graf concludes her semi-final business yesterday

GILL ALLEN



Long service... Todd Martin against Mal Washington yesterday, with the decisive set delayed until today

Results section containing Men's Singles, Men's Doubles, Women's Singles, Women's Doubles, Mixed Doubles, Men's Over-45, Men's Over-35, and Women's Over-35.

Sports betting Take Surrey price for Steffi in straight sets. Julian Turner. IN A world of uncertainty, thank goodness there are some things you can still rely on. Not the men's Wimbledon semi-finals, of course: it would have taken an accumulator of around 300,000 to 1 to predict the four eventual contenders.

Advertisement for Cornhill Test Series England v Pakistan, including dates, location, and ticket information.

Large vertical advertisement on the right edge of the page, partially cut off, featuring the word 'Hall' and 'trum'.

Racing

Halling to turn up trumps on turf

Softening ground should favour last year's Eclipse winner in repeat bid says Ron Cox

ONLY four runners turned out for the 1985 Coral-Eclipse Stakes, when Febles beat Rainbow Quest, and today's Sandown race, already weakened by the withdrawal of Shaamit and Spigiel, may be fought out by another small but select field. Following yesterday's heavy rain, which prompted the going to be described as "good to soft at best", the trainers of Valanour and Bijou d'Inde will inspect the course early this morning before declaring their colts definite runners. Following the rain, the ground is considered too soft, conditions which could also put a question mark against the ante-post favourite, Pentire, who has done all his winning on good or fast ground. Definite Article and Beauchamp King have won in the mud, but the most significant soft ground scorer must be Halling, for whom the prospects of a repeat win are improving by the minute. Last year's winner bounced back to form with a game victory over Guabot Diplomacy, a useful French per-

Halling went on to win the Juddmonte International Stakes at York with the proverbial ton in hand. Quickening ahead two furlongs out, he galloped right away to beat Bahuri by a long looking three and a half lengths - El-Artis tokrat was last of the six runners. Injury to an off-side joint kept Halling off the track until the Breeders' Cup, but the Godolphin team are confident they have him back to his best. That certainly looked the case when the five-year-old sparked in a gallop at Newmarket earlier this week. Pentire has not run since the Dubai World Cup, but that was always Geoff Wragg's intention. On fast ground his credentials would look impeccable. How he will cope with an easier surface remains to be seen. Pentire wound up a hugely successful 1995 campaign with a top class performance in the Guinness Champion Stakes at Leopardstown, where he had Definite Article and Valanour behind him. Blinked the day after and tried in a visor for the first time here, Definite Article could well narrow the gap with Pentire, whose renowned finishing speed is likely to be blunted. Definite Article has won twice on softish ground at the Curragh this season. He gets 10 furlongs really well, but Bijou d'Inde is stepping up from a mile and proper fast ground would help in his first attempt at the trip. Yesterday's rain brought a smile to the face of John Dunlop, who said: "Beauchamp King will love the ground." Fourth behind Bijou d'Inde in the St James's Palace Stakes, the grey looks a tempting longshot. But the forecast is another success for Halling (4.10).



Silver lining... Ron Aron (umbrella aloft) greets Wendyl Woods after his win on Sheer Danzig in the Hong Kong Jockey Club Trophy

Sheer Danzig's 'away win' has his Hong Kong connections singing in the rain

SHEER DANZIG kept the Hong Kong Jockey Club Trophy "in-house" when he gained a last-gasp, short-head victory in the 200,000 handicap at Sandown yesterday. He realised a long-held ambition for his owner, Hong Kong Jockey Club steward Ron Aron, and jockey Wendy Woods, who returns to the colony

next month. While a rainstorm raged over the track, the four-year-old, trained in Newmarket by Robert Armstrong, made up significant ground in the straight to catch Miss Universal in the last strides. It guaranteed a free trip to the Far East for Armstrong and eased Woods's passage back to where he first made his name.

Woods rode with considerable success in Hong Kong, where he began as an apprentice, and has been granted another licence to rejoin his uncle, trainer Lawrie Fownes. "I've always wanted to win this race. It's a dream come true just before I go back," he confessed. "Sheer Danzig had several lengths to make up but if you keep

at him he will always respond and I knew we had got up. This is like winning a major race." Aron, a lawyer by profession, sits on the Legislative Council in Hong Kong and makes occasional visits to England as the Hong Kong chairman of the Duke of Edinburgh's Award. He also owned the colony's best racehorse River

Verdon. "It's not very often I get here to see one of my horses run, let alone win on a day the Jockey Club is sponsoring. I thought someone was going to shout fix," he said. "It wasn't easy for Robert to organise Sheer Danzig to run. But we targeted the race a couple of months back and he won by a thread, it was very close."

Double Trigger sale misfires

DOUBLE TRIGGER is to be sold on Epsom after his trainer, Mark Johnston, revealed the five-year-old's proposed sale to the Middle East has fallen through. The deal involving Double Trigger - beaten a length and a half by Classic Cliche when attempting a second victory in the Ascot Gold Cup expected to be completed soon after Royal Ascot.

But injury to the chestnut's corone forced the transaction involving a move to Saudi Arabia, to be put on hold, and now it has been called off altogether. Johnston reported: "Double Trigger still has plastic shoes on. He is swimming and walking, but it will take three to four weeks for enough horn to grow back and put a proper shoe on."

Sandown runners and riders with TV form

Table with 2 columns: Race number and details (e.g., 2.15 Sandown, 2.50 Options Open, 2.55 Match). Includes names of runners and riders.

Channel 4

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Haydock with TV form

Table with 2 columns: Race number and details (e.g., 2.00 Haydock, 2.35 Sandown, 3.10 Haydock). Includes names of runners and riders.

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Chepstow

Table with 2 columns: Race number and details (e.g., 2.55 Chepstow, 3.30 Chepstow). Includes names of runners and riders.

Channel 4

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Results

Large table containing race results for various tracks including Sandown, Haydock, Chepstow, and Warwick. Columns include race name, runner names, and finishing positions.

RACELINE 0930 168+ advertisement for racing information and results.

Vertical text on the left margin: 'Martina jobs on after the twentieth', 'M', '1 straight'.

Tour de France

Apocalypse now and Boogerd later

William Fotheringham in Aix-les-Bains

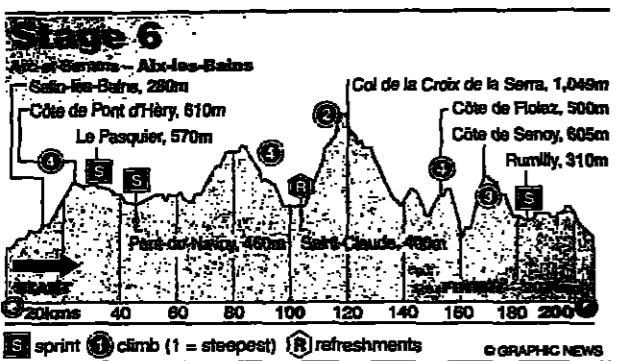
Whatever awaits the Tour de France field in the Alps over this weekend, it can hardly be worse than the conditions yesterday...

down like stair-rods. Gendarmes with chain-saws had to clear pine trees blown down across the route...

What it was like riding a bike - let alone trying to race - through these biblical conditions can only be imagined.

The peloton squelched along swathed in bulbous plastic rain capes, sodden to the core, ice-cold spray pelting into reddened eyes from the splashing wheels...

The Texan makes no bones about his dislike of the rain, and speculation is that he is more motivated by the Olympics in his homeland...



ONCE looked set for the stage win when Melchior Mauri, who was sixth last year, disappeared into the gloom and spray with a young Dutchman, Michel Boogerd...

Today's stage: Chambéry-Les Arcs, 199km. Tomorrow's stage: Bourg Saint Maurice-Val d'Isère time-trial, 31km.

Sailing

Coutts joins the port-hoppers of France

Bob Fisher

THE Tour de France has a rival in its own country, for bicycles substitute boats, it features some of the world's top sailors, takes in 15 ports and runs for a month...

that captures the public imagination. Thousands will watch the start. The crowds become even bigger when the boats move into the Mediterranean after an overland transport from Archachon...

Some stages are short - 30 to 50 miles - and followed by an Olympic-style 24-hour race. Others are 100 to 150 miles, like the opener to Guernsey, probably the trickiest of all with fierce tides past the Cherbourg peninsula.



Mean machine... the world champion Steve Collins is tough and hungry

Boxing

Make or break for battered warrior Benn

Kevin Mitchell

on tonight's crucial fight for Ilford's finest against Collins

SO MUCH of boxing is invested with blind faith in a fighter in the public in a ring hero - and in the business to capture the mood of seat-gripping tension as Nigel Benn, in Manchester tonight he will tantalise the faithful again.

It is his legion of supporters believe he can. Benn overcomes Steve Collins at the Nynex Arena to take the Dubliner's World Boxing Organisation version of the super-middleweight title...

Benn, 32, says he got his preparation wrong last time, pushing himself too hard and too long in sessions in Las Vegas that turned into a circus, particularly as he had his friend Frank Bruno alongside him as a training partner...

Benn surely suffers as much now as a year ago. Yet he fights on. He announced his retirement in over-the-top but touching fashion last March - from centre ring before proposing to his girlfriend - after Thulane Malunga relieved him of the World Boxing Council 12-stone title he held since October 1992...

He will admit to wildness during a typically boisterous inner-city youth but the boxing ring is a place of discipline. In such a controlled environment Benn grew up...

There is a rich irony here, one common in boxing. Benn, the challenger, is considerably wealthier than Collins, whose three defences since he took the belt from Chris Eubank have made him a decent pile but have not provided him with the riches to seal a comfortable retirement...

Benn has the money - and the punch. Collins has the chin, one of the best in boxing, as well as an iron will and a bag of tricks picked up by Malunga and from Dublin to Boston and back, against the finest fighters at or around 12 stone.

This time, though, the challenger should prevail, extending a career whose next challenge should be a rematch with Malunga, with a slight timetable of farewell paydays, complaining that his body could not take much more punishment. Benn surely suffers as much now as a year ago. Yet he fights on. He announced his retirement for a long time to come.

Beverley

- 2.05 Pavilion Grey, 2.05 Set The Fashion, 3.05 Albans, 3.05 Phoenix, 4.05 Pembrokeshire, 4.05 Imperial President, 4.05 Betscot

Table with 2 columns: Race number and details including horse name, jockey, and odds.

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Carlisle tonight

- 7.10 The Dooly, 7.40 Backhanders, 7.40 Southlander, 8.40 Desert Profile, 9.10 Herby's Bonanza, 9.40 Betscot

Table with 2 columns: Race number and details including horse name, jockey, and odds.

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Nottingham tonight

- 6.50 John Tilly, 7.40 Woodhouse, 7.50 Micks Di Castiglia, 8.50 Delta Cross, 9.10 Hoveley Hill, 9.20 Frey

Table with 2 columns: Race number and details including horse name, jockey, and odds.

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Wolverhampton tonight

- 7.00 Minter Run, 7.40 Woodhouse, 8.00 Requery, 8.50 Starburst Park, 9.00 Woodhouse, 9.20 Lion

Table with 2 columns: Race number and details including horse name, jockey, and odds.

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John F

Labour... the point and off their... The C

Handwritten signature or scribble at the bottom of the page.

Graf closes on one more title, page 8
Halling eyes a second Eclipse, page 9

The Tour heads for the hills, page 10
The gold rush begins at Bislett, page 11

SportsGuardian

WIMBLEDON: TENNIS TAKES ANOTHER RAIN CHECK



Somewhere over the rainbow Centre Court may catch up

Heavy downpours at Wimbledon interfered with another day's play, bringing a premature close to the men's semi-final where Maliwa Washington and Todd Martin had reached the fifth set. The match between Richard Krajicek and Jason Stoltenberg was held over until today but Steffi Graf found enough clear sky to demolish Kimiko Date. She meets Arantxa Sanchez Vicario in today's women's final. Reports page 18, photograph Tom Jenkins

Anyone for a corporate tennis lunch?



Paul Weaver

WE HAVE surely entered the era of designer sport when a hot ticket to Wimbledon, Wembley, Ascot or Lord's is viewed as a fashion accessory. Sport has suddenly become smart. Politicians and pop stars are advised to "follow" a football club. John Major even wrote a sports column to tell us all about Euro 96, a tournament which under his management would probably have ended with a lost ball and a revolt by continental defenders. The real story was told in those shaming pictures in yesterday's newspapers of Wimbledon's Centre Court less than one-third full as Tim Henman played Todd Martin in Britain's most important tennis match for a generation. Its 11am start was early by Wimbledon standards but not too early, it seemed, for the bedonkies of corporate hospitality to prepare for a corpulent lunch.

stands visible behind him because they were the reserved seats. Next season, too, county cricket matches will start on Wednesdays instead of Thursdays. This is partly to avoid the Sunday League "sandwich game" but also to provide the sponsors, who have no interest in Saturdays, with another option. "It's not good for members or youngsters at school, who both enjoy Saturdays," says Essex's astute secretary Peter Edwards. "Now games could be over before the weekend." Sponsorship has saved many sports and sportsmen but now big events have become places to be seen, while the sport often goes unseen. The problem is that sport's greatest asset, its ability to cross barriers of age, gender, education and income — something politicians now realise — is being eroded. The true supporter is being left in the cold, sometimes literally, as the hot ticket becomes a badge of privilege. There were many of them in their sleeping bags on the pavements outside the All-England Club last week, preparing to queue all night in the rain for the chance of a Centre Court ticket. A few lucky ones got in on Wednesday when Henman was due to play Martin, but by the time the game was played on Thursday they had lost out to the ballot winners and corporate good-timers.

England v India: third Test, second day

England limit the damage

Mike Selvey at Trent Bridge

INDIA, after a successful opening day and just when they should have been steaming merrily along towards a potential match-winning total, ran straight into a Sargasso Sea yesterday in the form of a more focused and purposeful England attack hell bent on stifling the innings. The result was desperately dull fare for a capacity Trent Bridge crowd but, with the

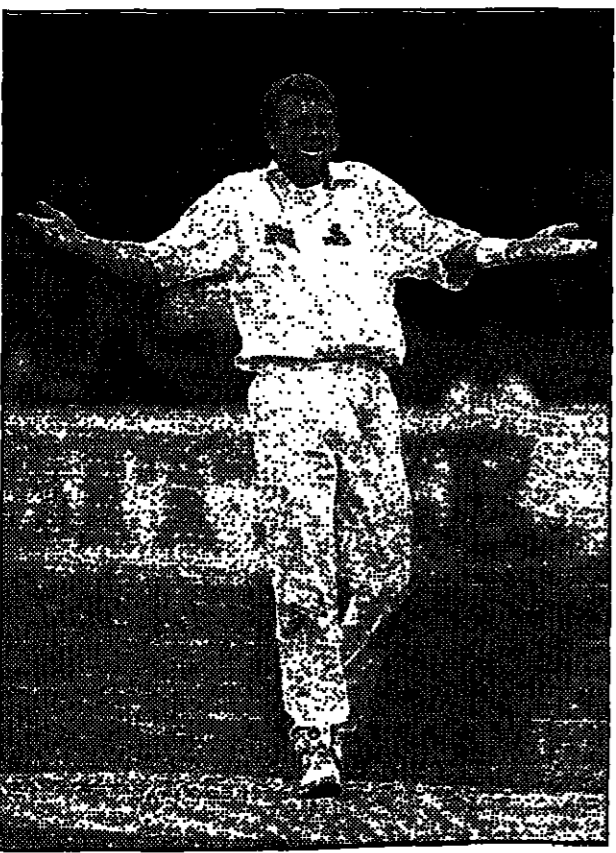
pitch likely to become easier, it ought to have been sufficient to ensure that England save the match and so win the series. Sometimes it is the nastiest medicine that does the most good. On Thursday the England bowlers had taken such a clattering from Rahul Dravid and Sachin Tendulkar that there was a real possibility of carnage yesterday. So credit must be given to the bowlers, who not only dismissed Ganguly without addition to his overnight 136 but admirably

restricted Tendulkar to 46 runs prior to lunch and then got rid of him after the interval for 177. There followed a torturous half-century from Sanjay Manjrekar, whose 54 took more than 3 1/2 hours, and it was only another composed innings from Rahul Dravid, who was last out for 84 and farmed the tail so successfully he could qualify for a subsidy, that saw India to 521. But the 234 they added yesterday — only 168 of them before tea — used up 77 of the day's quota of overs.

It did, however, leave Mike Atherton and Alec Stewart 11 overs to negotiate before stumps, a testing proposition against Srinath and Prasad, who have consistently been the best bowlers on display during the series. They managed it, reaching 32 — still 290 short of their immediate target of 322 required to avoid following on — but not without alarm. In the third over Atherton edged Srinath low to Dravid's left at third slip, where the fielder failed to cling on. Atherton, who seems to make more than his ration of noughts, had not opened his account at that point and, as he had given Tendulkar a life before he had scored on Thursday, will hope that India show him the same charity today. He finished unbeaten with 21. At the other end Stewart had made 10, although he too was close to being dismissed when he got an inside edge to Prasad that flew over the top of his stumps.

David Lloyd, England's coach, admitted the Atherton let-off: "It went at a nice height for a slip fielder, at just around the knee level. It was definitely a chance. I just hope he can cash in like Tendulkar." If the blustery conditions had partially explained some

ordinary bowling on Thursday, there was no such excuse yesterday and the seamers, worked hard by Atherton and given licence to adopt an attritional approach, responded excellently. Once more it was Chris Lewis, with three for 83, who came out with the best figures. But Alan Mullally bowled with enough pace to hurry good batsmen on to a featherbed, stuck to his task and emerged with the early wicket of Ganguly and two for 88 in all from 40 plucky overs while Mark Ealham plugged away and was rewarded with two wickets including a notable first in Tendulkar. When play began yesterday England, realistically, would have known that the game was there to be saved now rather than won. Block the flow of runs and urgent frustrated batsmen, seeking to break out, can get themselves out. The first breakthrough of the day, however, came from first-class attacking bowling from Mullally, who bent his back, hit Ganguly a nasty blow on the right hand, and while it was still throbbing, pitched the next ball up and found the edge with Nasser Hussain taking a tumbling catch.



Hard labour... Dominic Cork shows his frustration on a day when England were made to toil

of the day, however, came from first-class attacking bowling from Mullally, who bent his back, hit Ganguly a nasty blow on the right hand, and while it was still throbbing, pitched the next ball up and found the edge with Nasser Hussain taking a tumbling catch. Tendulkar had been unable to find the boundary during the latter part of the 255-run partnership and it was 40 minutes before he managed to cover-drive Mullally, his first four in 32 overs. Cork will swear blind, and could summon the video evidence to support it, that Tendulkar, offering no stroke, should have been given out leg-before when 147.

On the same score another vehement shout by Cork was also turned down, once more by the Sri Lankan umpire K T Francis, and the bowler's evident disgust was followed by booing from the crowd when the giant screen showed a replay. As Francis had made a sensible ruling on a marginal decision, it brought into focus the need for reasonable discretionary use of the facility. With Manjrekar out of touch and entrenching, Tendulkar began to expand and had hit 26 fours in 177 — the pair adding 89 — when he tried to pull Ealham and succeeded only in sending the ball in a gentle parabola from the top-end of his bat to Patel at mid-on. In years to come Ealham will tell of how he bounced out one of the world's great players. Only he will know how true that was. Tendulkar has made 35 first-class centuries now and none has exceeded his highest Test score of 179.

With Tendulkar's dismissal, England seized the initiative and four overs later Azharuddin turned a ball from Lewis off his hip and

sway Patel, now perched under the helmet at short-leg, take a superb reflex catch. The Indian captain has had a poor summer but this pitch was right up his street. An hour from him and the force could have been right back with India. With his departure went the last trump card.

With Tendulkar's dismissal, England seized the initiative and four overs later Azharuddin turned a ball from Lewis off his hip and

Scoreboard

INDIA	
First innings	
V. Vaidya c Russell b Cork	4
R. M. Singh c Russell b Lewis	9
S. Srinath c Patel b Ealham	139
S. V. Manjrekar c Hick b Patel	58
M. Azharuddin c Patel b Lewis	54
R. S. Dravid c Russell b Ealham	84
A. Kumar b Lewis	1
J. Srinath c Cork b Lewis	19
S. V. Raju not out	1
Extras (lb, lb12, w, nb13)	38
Total (167 overs)	621
Fall of wickets 7, 33, 288, 377, 388, 446, 478, 513	
Bowling: Lewis 37-10-89-3, Cork 22-6-124-1, Manjrekar 40-12-88-2, Ealham 23-8-80-2, Patel 24-6-101-1, Hick 4-1-8-0, Thorpe 1-0-3-0	
ENGLAND	
First innings	
M. A. Atherton not out	21
A. J. Stewart not out	10
Extras (nb1)	1
Total (for 0, 11 overs)	32
To bat: M. Hussain, G. P. Thorpe, G. A. Hick, C. C. Lewis, R. C. Russell, D. G. Cork, M. A. Atherton, M. M. Patel, A. D. Mullally 23-8-80-2, Patel 24-6-101-1, Hick 4-1-8-0, Kumble 1-0-3-0	
Umpires: G. Sharp and K. T. Francis	

Guardian COLLINS Crossword 20,698

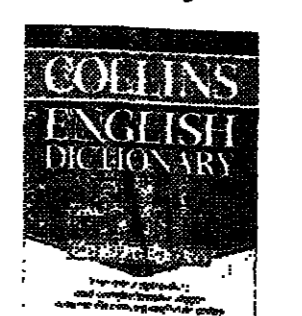
A copy of the Collins English Dictionary will be sent to the first five correct entries drawn. Entries to Guardian Crossword No 20,698, P.O. Box 315, Mitcham, Surrey, CR4 2AX, by first post on Friday. Solution and winners in the Guardian on Monday, July 15.

Name _____
Address _____

Tick here if you do not wish to receive further information from the Guardian Media Group or other companies screened by us

1 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26

- Set by Bunthorne
- Across
- 1 See 1 down
 - 4 A lot of toil? Shame! (4,4)
 - 9 One's absorbed in article on art of raising capital (6)
 - 10 Sovereign with rod, pole and perch detailed at left perhaps (8)
 - 11 Ignorance assumed with non-smoking characters (4-10)
 - 14, 19 Ignored like Sutherland's "Christ in Glory" once (4,2,8)
 - 16 Here Aschenbach died; so pass the hat round (4)
 - 18 Turn to satellite TV; hackedneyed outfit but revolutionary (10)
 - 21 Policy uniting Panama with South Carolina, Rhode
- Island and Maine, without a doubt (3-11)
- 23 The end opposite the 1 across (3-11)
- 24 Michelangelo's angel (6)
- 25 They fought for the old Trucial State railway (8)
- 26 The Modern Woman? 'e would agree! (6)
- Down
- 1, 1ac Show support for string players (4-6)
 - 2 Sacerdotal word from the law-giver's brother (7)
 - 3 An extended farewell from Daventry? (4-4)
 - 5 So Luther was seen, getting in the RC-Establishment hair



- (4-7)
- 6 Hang on! This is no place for non-swimmers; no point! (6)
- 7 Transport provided to universal acclamation (7)
- 8 Almost terminate order to be French; let them keep their distance (5)
- 12 Self-possessed motorist (5-6)
- 13 I thought you got it! (5)
- 15 Young shaver gets to the top (8)
- 17 Old artiste atopening of Drury Lane show, no? (3,4)
- 19 Influence found where Coliding sought it at Salisbury (7)
- 20 "Tampo col armors" bringing not a word from the family! (6)
- 22 Span 1 across to 23 (4)

CROSSWORD SOLUTION 20,698

YOUR ADVANTAGE

Special offer for shareholders. See page 34

"Oasis seem to despise intelligence — Noel once quite proudly said that he's never read a book in his life... The idea of a leading cultural icon being proud of not reading is sad."

Damon Albarn of Blur reckons he's the poet

Outlook page 17

EXPIRES

JOHN
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Saturday July 6
Sunday July 7
1996
Page 13

The Guardian
Outlook

JOHN GUMMER can't wait for global warming to bring England a Mediterranean climate - if only he had enough faith in weather forecasters to believe it will happen

Sweaty socks in the sun-dried shires

I HAVEN'T, I must confess, up to now had a great deal of sleep over the environment. It seems to me that we have a lot more to worry about than changes in the climate.

We should concentrate on the ills we might alter, such as people sleeping in doorways, wages below the poverty line, mass sackings, usurious banks, bursting prisons, the death of history, the reorganisation of the BBC, microwave cooking, Muzak and Michael Howard, rather than creep about in a state of perpetual anxiety because of the unpredictable and uncontrollable progress of the weather.

In consequence I spend much of my time in the company of those, mainly women, who smoke like chimneys. I have long ago given up the bicycle and get a great deal of pleasure from bonfires. It's a treat to burn the newspapers and see yesterday's disasters drift away in clouds of smoke across the garden. When the autumn comes they will smell even better.

Sometimes, of course, I feel guilty. Have I offended the environment by paying it so little attention? Should I not enjoy the gentle explosion of plastic bottles on the bonfire but put them neatly out in a separate bin for salvage?

Now the environment has shamed me by coming out with some absolutely splendid news. Before we know where we are, it seems, Henley-on-Thames will become as warm as Sienna. Those of us who can't live without repeated doses of sunshine may, in some happy future, be spared the agonies of Heathrow airport. We may simply be able to stay at home and bask.

The glad news, for who can doubt that the news is glad, was announced on the radio, as so many things are, by Mr John Selwyn Gummer. Mr Gummer's announcements, good or bad, are given in a voice of high-pitched anguish, so that he sounds like a Rover who has been given an apple pie sleeping bag by someone rather young and silly at Boy Scout camp. "By the year 2050," he told us, and I detected a note of complaint, "England could have the climate of the Bordeaux region."

It is, of course, disappointing. I may not be about in the year 2050. Anyway, it's not going to be nearly as good as Sienna. I have rarely been in the Bordeaux region when it wasn't raining, although the production of some really de-

licious Chateau Godalming might be compensation of a sort. Indeed, it always seems to be raining in the South of France, on that hideous coastline now given over to skyscraper flats, concrete hotels and fast food outlets.

Will we have to wait another millennium before England gets even as warm as Nice? But then the irritable Gummer cheered me considerably by saying that we will be growing "sunflowers and maize". Travellers to Italy will know that there is nothing more wonderful than a field of sunflowers, all turning their faces to the sun. Sunflowers are so beautiful that they drove Van Gogh mad. What an improvement they will be on oilseed rape.



Are siestas in Swindon or old people sitting out to watch the passeggiata so terrible?

Then Mr Gummer went on to warn other European countries and America, which he singled out as "the world's worst polluters", that "tougher actions to reduce greenhouse gas emissions would need to be agreed at the Climate Convention in Geneva next Monday." The suspicion came over me that he didn't want the deep South of England to become even as warm as Bordeaux and that the thought of sunflowers in England's green and pleasant land was as horrible to him as receiving a communion wafer from a woman.

And yet it is so terrible, the idea of southern England bathed in sunshine, siestas in Swindon and the young men and old people in Fulborough

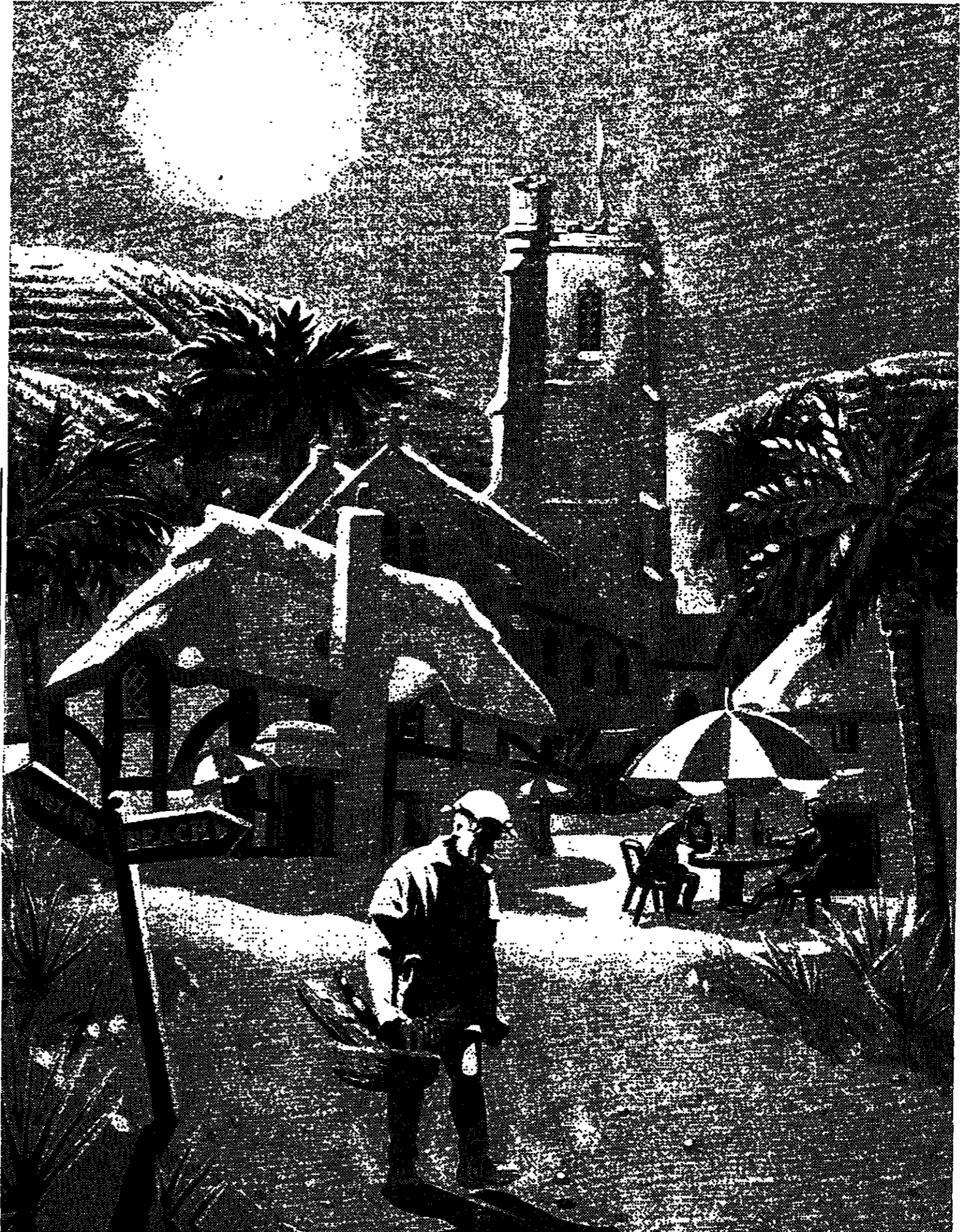
sitting on chairs in the shopping precinct to watch the passeggiata? Would it be ruinous if the English got to their offices before 10 o'clock in the morning, or worked as hard as Italians?

God knows what the sunshine might do for us. We might come to be fonder of children than we are of animals. Perhaps we don't want to see donkeys drooping from church steeples, but it would be nice to see extended families in restaurants, with two-year-olds welcome to stagger between the tables. Someone said the English climate, apart from being a constant topic of conversation, produced a stable government. This makes you wish global warming had come a bit more quickly during the past 17 Conservative years.

But into all our lives, say those who think lovingly of England as the home of rising damp, a little rain must fall. How can we live without April showers, apple blossom, hop fields and cows - if we have any left - in the shade of oak trees in green fields?

Mr Gummer has promised us that, too, when the Garden of England moves to Yorkshire. Perhaps the North won't be quite the same. Wordsworth might not have written his poetry if he had been striding through Sussex, and Wuthering Downs might be an inappropriate home for Heathcliff, but the chances of our getting another Wordsworth or Emily Brontë seem remote. In any event the climatic difference between Huddersfield and Henley doesn't seem sufficiently marked to cause even the nervous Gummer distress.

Professor Martin Parry of University College, one of the authors of the report on which these encouraging prophecies are founded, also, it seems, takes a gloomy view. It's true that it's going to be warmer and wetter in the North, so even the Yorkshire water board may run out of excuses and trees will flourish. But the Professor foretells an increase in cockroaches and diarrhoea, problems which British travellers have long since learnt to cope with, and the disappearance of mountain hares and ptarmigans. I should miss hares and I have nothing against ptarmigans, but we have managed to reintroduce red kites into one part of the Chilterns and I don't see why the North shouldn't do the same for grouse. It might all be worth it



A vision of Britain's sun-drenched future? 'Before we know where we are Henley-on-Thames will become as warm as Sienna' ILLUSTRATION: IAN ALLEN

to have wild boars snuffling round the beech woods, and being woken by sunshine and the sound of cicadas. It seems that all these dramatic events began with the Industrial Revolution and the Victorians who, blundering through London pea-soups, had no idea they were directing our country towards the tropics. If he could have seen into the future, Dickens would have had to open Bleak House, not with universal fog, but "Sun up the river... Sun down the river... Sun in the eyes and throats of Greenwich pensioners... The

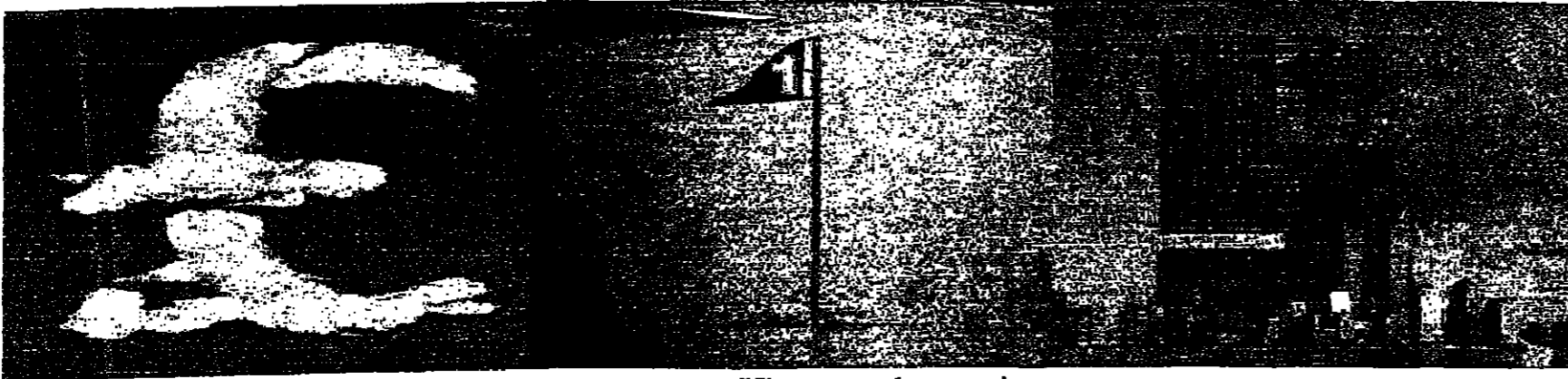
Lord-High Chancellor ought to be sitting here as he is... with a sunny glory round his head." It's really not, in spite of Mr Gummer and the professor, a bad alternative. And, in spite of the cross words of politicians and ecologists, it may be unavoidable. Even if Mr Gummer persuades the European Union to stop subsidising Greek tobacco growers and capoles Europeans to travel in ponycarts or on roller-skates, if the Americans make smoking a criminal offence (which is quite likely), forgo gas guzzlers and ride stretch push-

bikes, the great masses of India, Asia and the Far East will continue to smoke away the cares of poverty and go to work in spluttering, reeking trucks without friendly exhaust systems or unloaded petrol. If this is what warms us up, it will certainly continue to do so, and Mr Gummer may get very cross, but it will not make the slightest difference. There is only one real cause for alarm. Weather forecasts are horribly unreliable. Last week we were told we would have monsoon-like rain and such a wind that the garden

furniture would take off like birds. In fact there was hardly any rain and the garden furniture was grounded. The weather seems to change its mind as often as John Major on Black Wednesday. And poor Michael Fish will never be allowed to forget the evening he said there certainly wasn't going to be a hurricane and all the trees blew over. Writing of such forecasts, it was Miles Kington who said: "Satellite photography in the seventies gave rise to the long-range weather forecast, a month at a time. This in turn gave rise to the

observation that the long-range weather forecast was wrong most of the time. In turn, this gave way to the dropping of the long-range weather forecast, and to the admission that really accurate forecasting could only cover the next day or two and not always then." I'm sorry to disappoint my children, but when they look out of the window in 2025 they may well see rain, green grass, lolloping hares and not a single cockroach. And neither Mr Gummer nor I will be here to be pleased or cross about it.

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Quality of foetal care

VISCOUNT Brentford's proposed bill to outlaw abortion on the grounds of foetal abnormalities is a chilling prospect for future parents...

his supporters to outlaw abortion on the grounds of Down's Syndrome. It is outrageous that politicians think they have the right to make decisions about women's lives...



Unkinder cuts for hard-up MPs

PETER Bottomley wants critics of parliamentary pay to attend details of their own salaries for inspection (Letters, July 5). An excellent principle...

increase, bringing my salary to £8.05 per hour before tax. Not bad money, until one compares it with the earnings of an "underpaid" MP.

Rise again, Manchester

WHY are we still planning an underfunded fund in Greenwich to mark the millennium when there is a much more deserving opportunity at hand?

fund this meaningless event. Here is a chance to celebrate 2000 in a way which would impact on the lives of millions.

Arndale Centre, might I propose that the rules of the competition forbid any presentation that does not show the design from a viewpoint accessible to the general public?

There is much more to hospital league tables than meets the eye (Hospital ratings "give false picture", July 3). They not only ignore quality of care and outcomes but, more importantly, underfunding.

Robust arguments that make hospital league tables look sickly

There is much more to hospital league tables than meets the eye (Hospital ratings "give false picture", July 3). They not only ignore quality of care and outcomes but, more importantly, underfunding.

June 1996 specifically designed to reduce cancellations and long trolley waits. The UK as a whole spends less on health than other developed countries.

The Guardian Offer advertisement featuring an illustration of a hat and text: 'PUT YOUR READING HAT ON THIS FRIDAY PICK UP YOUR FREE COPY OF THE CROSSING BY CORMAC MCCARTHY'.

Tory tramps

UNFORTUNATELY, your theatre critic wasn't asked to review the Conservative Party's new production of Waiting For Godot...

Between Boris and the deep red party

IT WAS a Russian MP who, in a radio interview this week, explained the dilemma she and others faced in the presidential elections...

LEONARD Worsley (Letters, July 4) is wrong to say the Russian electorate was faced with choosing a return to communism...

When Norman Lamont took his tenant to court he received legal aid of £4,000 towards his solicitor's bill.

Poor way to provide justice for all

YOUR leader comment (Justice for the poor, July 3) on the white paper on legal aid rather misses the point. These "welcome features" you refer to such as using mediation...

Most people who require legal aid are not in such a fortunate position. They are already subject to stringent tests on their own means and upon the merits of their case.

Sainsbury's sets out its stall for shareholders

WE MUST take issue with your Notebook (July 3) which implies that in terms of the annual report, Sainsbury's (and other leading companies) may be giving shareholders less than they have the right to receive.

stancial amount of operational and financial information. The summary includes a statement on corporate governance and gives a freephone number for shareholders wishing to receive a copy of the full accounts.

are asked whether they wish to receive the full accounts. There is no intention of depriving shareholders of information. We consider this approach to represent best practice.

THE BURREN, IRELAND: The great advantage in leaving the Burren for several weeks is the pure joy of our return. We round the last bend on the hill and see beneath us the wide bay framed by its hills, beautiful in their austerity.

A Country Diary

last, among the rocks in a grassy oval bordered with birch roses are the white orchids. I stopped counting at 50. On our return by the lane to the Black Head road we noted the intermingling of warm ruby fuchsias with the spotted orchids.

Then we "welcome, sooner, with thy some soft" and, like Charles's searchers, plan to go on "pilgrimages". High in the hills we still find mountain avens, gentians, especially this year because of the late spring. However, it is the quest for the wild orchids that recently sent us forth.





Far shores... left, Ray Howard-Jones on Skomer Island. Above, her 1944 painting, Building of the North Battery; below, Song of the Seas, 1960s. MAIN PHOTOGRAPH: ROGER WORSLEY

Ray Howard-Jones

A life on the land's edge

RAY Howard-Jones, an artist of considerable but perhaps still under-appreciated talent, has died at the age of 93. She spent much of her long life struggling against what she experienced as the disadvantage of having been born a woman.

around the world. The one place where her work had always been thoroughly appreciated was in west Wales, in the old county of Pembrokeshire, where she spent half her life, rooted there like the lichen to the rocks.

Professor Tonks. Her line drawing was admired as exquisite, fine and detailed and it earned this already frail and consumptive girl the challenging task of helping plastic surgeons to reconstruct the faces of men who had been seriously disfigured in the first world war.

When she was nearly 40, first she had to cope with tuberculosis and a botched operation that left her in pain for the rest of her life. Then she had to care for ageing relatives.

When she was nearly 40, first she had to cope with tuberculosis and a botched operation that left her in pain for the rest of her life. Then she had to care for ageing relatives.

When the Japanese attacked Pearl Harbour at the end of 1941, Combs was second in command of the naval bureau of yards and docks under Rear Admiral Ben Morel.

When one of our visits to Grasholm we knelt together in the tussocks of grass as her unerring archaeological eye picked out walls and field boundaries — so the Mabino legends were right, the first Welsh in Wales had lived here 25 centuries ago.



Helen Glatz, music-maker... PHOTOGRAPH: KATE MOUNT

Helen Glatz

Music in the heart and head

IN THE late 1940s, Helen Glatz, who has died aged 88, arrived almost penniless at Dartington Hall, the west country school and community.

She was looking for Imogen Holst, who was then in charge of the music there. The two women had been students together at the Royal College of Music, and Holst, who had set up a course for rural music teachers, offered her a part-time job.

After Imogen left, Helen worked under John Clements, then Richard Hall and Nigel Amnerst, and finally Jack Dobbin. By the College of Arts had a music department with more than 100 students and Helen was a key full-time member of staff.

Devon, and eventually got a permit for her husband to join her. But he died prematurely, leaving Helen alone to bring up their son.

greatest use of her services. Jimmie Blades, the great trumpeter, who came frequently to Dartington for special courses or events, so valued her collaboration that he left her in his will his favourite drum, a gift that Helen particularly treasured.

Weekend Birthdays

Let's imagine Camilla Parker Bowles, 46 tomorrow, had been born photogenic as well as funny, sensible and robust of speech. That changes the story — it's then about a woman who recognised early that she had too much of a past to pass the moral exam into her boyfriend's weird family, and the boyfriend who dithered away his chance to marry her.

roles of the shires: married the second choice with diamonds in her hair, bred the children. Later she refound the boyfriend — still the same hopeless case — encouraged him to meet a nice girl, and when the NG proved even more neurotic than he was, supported him, mothered him and went back to bed with him. If she'd had camera looks (or like her great-grandmother, mistress to Edward VII, lived in an era of retouched photographic

plates) we'd be cheering that soon he will be free to marry her, his real love. In all the recorded weeks in this selfish business, what is the only likeable line? Hers, at the end of the C-gate tape: "Don't be silly, I'd suffer anything for you. That's love. It's the strength of love. Night-night." It's a bit hokey in tone, but it would do very well in the penultimate chapter of Persuasion.

Today's birthdays: Dave Ashkenazy, comedian, 60; Vladimir Ashkenazy, pianist and conductor, 58; David Capel, crick-

eter, 33; Prof Gordon Conway, vice-chancellor, Sussex University, 58; Barbara Cox, a deputy speaker, House of Lords, 50; The XIVth Dalai Lama (Gyatso Tenzin), 61; Alan Freeman, disc jockey, 68; Peter Glossop, baritone, 68; Sir Timothy Barford, chairman, Kwik Save, 64; Jeff King, jockey, 38; John Makepeace, furniture designer, 57; Mary Peters, athlete, 57; Cathryn Pope, soprano, 38; Jonathan Porritt, ecologist, 46; Pajares Ramón, managing director, Savoy Group, 61; Nancy Reagan, former US

First Lady, 73; Jennifer Saunders, comedienne, 38; Sylvester Stallone, actor and director, 50. Tomorrow's other birthdays: Michael Ancram, MP, minister for Northern Ireland, 51; Brenda Bruce, actress, 74; Pierre Cardin, fashion designer, 74; David Cope, director, UK Centre for Environmental and Economic Development, 50; Richard Fries, Chief Charity Commissioner, 58; Jeremy Goscutt, rugby player, 31; Michael Howard, QC, MP, Home Sec-

retary, 55; Prof Tom Husband, mechanical engineer, vice-chancellor, Salford University, 60; Tony Jackman, golfer, 62; Glensy Kinnoch, MEP, teacher, campaigner, 52; Hamish MacInnes, mountaineer, 66; Gian Carlo Menotti, composer, 85; Alessandro Nannini, racing driver, 37; Bill Oddie, actor, comedian and ornithologist, 55; Suzanne Romanie, Merton Prof of English Language, 45; Sir Steven Runciman CH, historian of Byzantium, 93; Ringo Starr, former Beatle, 55; Alan Walker, cricketer, 34.

Death Notices

CAREY, Edith Anne (Mae) of Winchester Hill, peacefully at Annet House, 14, Timbers Green, 30th June, 1996. Mrs. Carey was born 20th March 1911. She was the wife of the late Mr. Carey. Burial at Winchester Hill on 2nd July. Flowers or donations to Royal Mail Quaker Meeting c/o Winchester Hill, 203, Green Road, New South Gate, London N11 1AH.

Marriages

WHITE, Mark Lincoln and Rachel Louise WHITE, getting married today. Rachel, you've made me the happiest man in the world. I love you, Mark. We'll share your happiness. Telephone 0171 713 4567. Fax 0171 713 4128.

Face to Faith

God forgives if we forget

WAS wondering what happened to faith if there was a failure of memory. "I can tell you," said my husband, who has a profound amnesia as a result of viral encephalitis. "It goes."

children to follow so that they can more easily have recourse to the Church in times of need. We may know from past experience that it is when we have most need of it. Or we may recall times when we have gone to worship feeling totally 'switched off' to God but been blessed with amazing sur-prises of the Spirit. If memory fails, none of these promptings is available.

meanings. If faith is not reinterpreted and realised in our lives, it is not practised, it will die out. That practice is our contribution to the relationship. But how can we respond when memory fails? Without any sense of the continuity of time, how can any relationship with God develop? God may be beyond time, but we are not. How can we build up our faith, how prevent it fading away through lack of practice, if we have no memory with which to nurture it?

possible to tell who moved first towards whom. In the ideal of the consecrated life, God and person are constantly in each other's company. But without any effort on the human side of the relationship, such a state of grace can never be achieved. Without memory, how can that effort of hope be made? In

a time of desolation, what but memory can prompt a deliberate turning to God for help? When my faith is a struggle, various strategies might help. I can remember how real God's presence has been for me in times past, that prayers for a stronger belief have been answered in previous, similar circumstances, that previous

times of desolation have always before eventually come to an end. But for those without memory there is only the moment, or very nearly so. Each day seems like an eternity, suspended and lost in time. Since faith implies doubt, the two held in an incessant state of flux, we have to hope that God, in His compassion, will

find those who are locked out of time. Just as He finds us lighting the spark of faith. His own time, however often is needed to prompt the faithful answer necessary for salvation.

Maggie Rich works for Feed the Mind, a development agency promoting literacy

Doonesbury Flashbacks



BY GARRY TRUDEAU

Money Guardian

Counting the cost of justice

Radical changes in the legal aid system mark a drastic shift from its original principles. Barrister RICHARD COLBEY reports

LEGAL aid received more media attention this week than at any time in its 47-year history after the Lord Chancellor introduced a White Paper proposing radical changes to a system overshadowed by recent highly controversial court cases.

The previous day, in Parliament, a minister made an unprecedented condemnation of the grant of legal aid in a specific case. Cyril Smith is suing doctors for telling him he only had three months to live more than three years ago, a case that has received almost as much attention as the White Paper itself.

Legally, Mr Smith's case certainly seems arguable. Its outcome will depend on whether a reasonably competent doctor, faced with a patient in his condition, could have got the prognosis so wrong, even though some may feel that he should abandon the action out of gratitude for his subsequent recovery. But that has little bearing on the strength of his case.

The Lord Chancellor's proposals say that the criteria for granting legal aid will not simply depend on the pro-



Cyril Smith... Ill advised?

spects of success in a case, but whether it is right that it should be paid for by taxpayers. This is likely to put legally-aided people at a disadvantage compared with those who can afford to pay legal fees.

Liberty, the civil rights pressure group, has expressed a concern that this will make it difficult to get legal aid for actions against the police.

Controversial claims—like that of Mr Smith—ones for which the Government has

little sympathy. Many lawyers and advice agencies had hoped the White Paper would remove the anomalous exclusion of industrial tribunals from legal aid, but this was successfully opposed by ministers advocating employers' and industry interests.

The White Paper also deals with financial eligibility for legal aid given the present exclusion of people with a disposable income of £7,187.

There may be some relief for those whose income is only just above the £2,425 level—when contributions kick in. But the level of their contributions may be reduced at the expense of those nearer to the eligibility threshold.

This fine tuning does not address the fundamental concern that a person with an income of, say, £3,000 cannot realistically be expected to fund any but the simplest litigation.

One of the most controversial proposals is that even those on income support will have to pay £10 or £20 towards their legal aid. In practice those who would be genuinely deterred by this may find that their solicitors are willing to pay it. A more serious threat to the availability of legal aid is that the value of the applicant's home may be



Case for the prosecution... Even those on income support will have to pay £10 towards legal costs, which solicitors may be tempted to pay for them

taken into account. This will only apply where the value of the home, after any mortgage, is £100,000. In London, at least, £100,000 houses are often quite modest. Retired people may be particularly affected, in ex-

the other side's costs if they lose. This follows the proposed abolition of the rule that normally prevents courts ordering them to pay the other side's costs.

The Lord Chancellor has highlighted the unfair results this rule can sometimes have on those who successfully defend actions against legally aided people.

The present law does, in the case of abuses, give a power—rarely exercised—to judges to make a costs order.

The "reforms" could have a devastating effect in the case

of someone who is seriously injured as a result of a medical accident. If the claim fails because the court finds the doctors' actions fell just short of negligence, losing the home might be the only way to pay the doctors' legal costs.

It may well be that many public authorities, and even insurance companies, in this position would not enforce their costs entitlement. But the fact that an impoverished litigant might need to rely on the benevolence of an opponent to avoid ruin shows how far the Government wishes to depart from the aims of the original legal aid system.

Money Guardian is edited by Margaret Hughes

There is concern that the proposed changes will make it more difficult to take action against the police

treme cases facing the stark choice of abandoning their claim or losing their home. Even those who do obtain legal aid may face such a risk because they may have to pay

the present law does, in the case of abuses, give a power—rarely exercised—to judges to make a costs order. The "reforms" could have a devastating effect in the case

Insurers ready to fill breach if budget is cut

Ian Whyte

GOVERNMENT plans to let insurers pay over the cracks left by a shrinking Legal Aid budget have been attacked by the Law Society, which has warned that exclusions in current legal expenses policies would rule out the bulk of the cases funded by Legal Aid.

The limits on the Legal Aid budget proposed this week, and tougher criteria on applicants, mean that more people are likely to take out insurance to cover legal fees. But the Law Society says the Government is not doing enough to persuade insurers to drop their exclusions of matrimonial and criminal disputes—currently the source of two-thirds of claims made under the Legal Aid scheme.

Under proposals unveiled in a White Paper by the Lord Chancellor, Lord Mackay, all Legal Aid applicants, including those on income support would have to pay an initial contribution of £10 or £20. Further small sums would be demanded as the case pro-

gresses. Those not on benefit would be expected to contribute to legal costs on a sliding scale according to income.

Litigants will have to prove their case has a fair chance of succeeding. If the case is lost, they could be ordered to pay their opponent's costs, which could reach five figures. The White Paper suggests litigants could be made to pay the winner's costs by taking out a second mortgage on their home.

Some six million people already have legal expenses insurance of some description. In most cases, it will have been added to their motor or household insurance policy. For an extra premium of £12.50, for example, Direct Line through DAS will tack on legal insurance to your motor cover to insure you against up to £25,000 legal costs incurred following a road accident. For a few pounds more, an add-on to household insurance can cover personal injury claims, consumer complaints, actions against neighbours and an area not covered by Legal Aid, disputes with employers. Norwich Union's household add-on, offered through Hambro,



Lord Mackay... Investigator

costs £12.00 a year for £50,000 of cover.

However, claims on motor and household add-on legal policies are usually capped at between £25,000 and £50,000. Nor does cover guarantee the insurer's support. Before allowing a policy holder to pursue a legal action, the insurer will examine the case to see if the policyholder has a chance of winning. If not, the insurer will not back the case. Most add-on policies are

"before the event" insurance—you cannot claim under a legal expenses policy for a problem which existed before the policy was taken out, or which arises within the first three months. However, a handful of specialist legal expenses insurers, such as Greystoke Legal Services, insure the policy holder after the dispute has taken place. But if the case is lost, the insurance will help to pay the other side's costs. Any damages won are the policyholder's to keep.

Stand-alone policies are relatively expensive—Greystoke's Law Assist policy covers £5,000 of legal costs for a premium of £250—and most exclude divorce cases, building disputes, defamation actions and debt collection cases.

Martin Walkman, head of professional policy at the Law Society, says the cost and scope of stand-alone policies need urgent attention if insurers are to fill the Legal Aid gap. He blames the relatively high frequency of claims on stand-alone policies compared with add-on policies. He says: "There is a huge prob-

lem with stand-alone policies because they attract a disproportionate number of litigious individuals and that has a negative effect on the cost and scope of cover." Mr Walkman believes the only means of ensuring that litigious individuals are not allowed to distort the affordability and width of cover for others is for the Government to encourage legal expenses cover as an employee fringe benefit by offering tax incentives to employers.

LEGAL expenses insurers are also calling for tax relief on premiums to stimulate wider interest. Insurers admit that the take-up of stand-alone policies in recent years has been poor. More than a dozen policies were launched in the 1980s, but the number has dwindled to just a handful. The Association of British Insurers (ABI)

says this week's Legal Aid changes have not been sweeping enough to encourage more people to take out legal expenses insurance. However, most legal expenses insurers have welcomed this week's White Paper as an opportunity to broaden their policies. Another "after the event" insurer, Litigation Protection, has met Lord Mackay to discuss its idea of mixing private and public funding. Legal aid cash would be used to pay for the initial investigation of a case, which would then be considered by the insurer, which would decide whether or not to fund the action on a no-win-no-fee basis. Few banks are willing to lend money to fund legal action but, in October, Litigation Protection will launch a "litigants' investment fund" to provide loans.

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CLIFF JONES finds an insurance umbrella

Take cover against rain on your parade

NOT everyone can rely on Cliff Richard to keep the show on the road when rain stops play — as it did at Wimbledon this week.

Organisers of outdoor events over the weekend must instead keep their fingers crossed for good weather lest rainfall keeps the crowds away. But those planning outdoor concerts or parties can hedge their bets by insuring against bad weather or cancellation. Fluvius Insurance, named after the Roman god of rain, pays out if events are rained off and end up losing money.

People can also insure against the cancellation of a celebrity appearance. Members of the audience might well ask for their money back if they have turned up to an event to see a star speaker who then fails to show.

Eagle Star's Fluvius policy pays out for expenses incurred due to adverse weather conditions. These can include lack of rain, which may affect events such as fishing or water sports, high wind,

which could prevent a hot-air balloon launch — or no wind, which could lead to the postponement of a sailing event.

One of its policies covers light rainfall leading to a reduction in income. The amount insured depends on the volume of rain as monitored by the Met Office or the local water authority.

Organisers who are insured by Eagle Star can recoup 20 per cent of their costs if between 0.05 inches and 0.1 inches of rain falls during the insured period. This increases to 50 per cent if it showers up to 0.15 inches and the insurer will bale out 100 per cent of organisers' costs should there be more than 0.15 inches.

So a three-hour event in London and the South-east costs £190 for £2,000 worth of cover. In Manchester the same event would cost £220, and in Keswick £292.

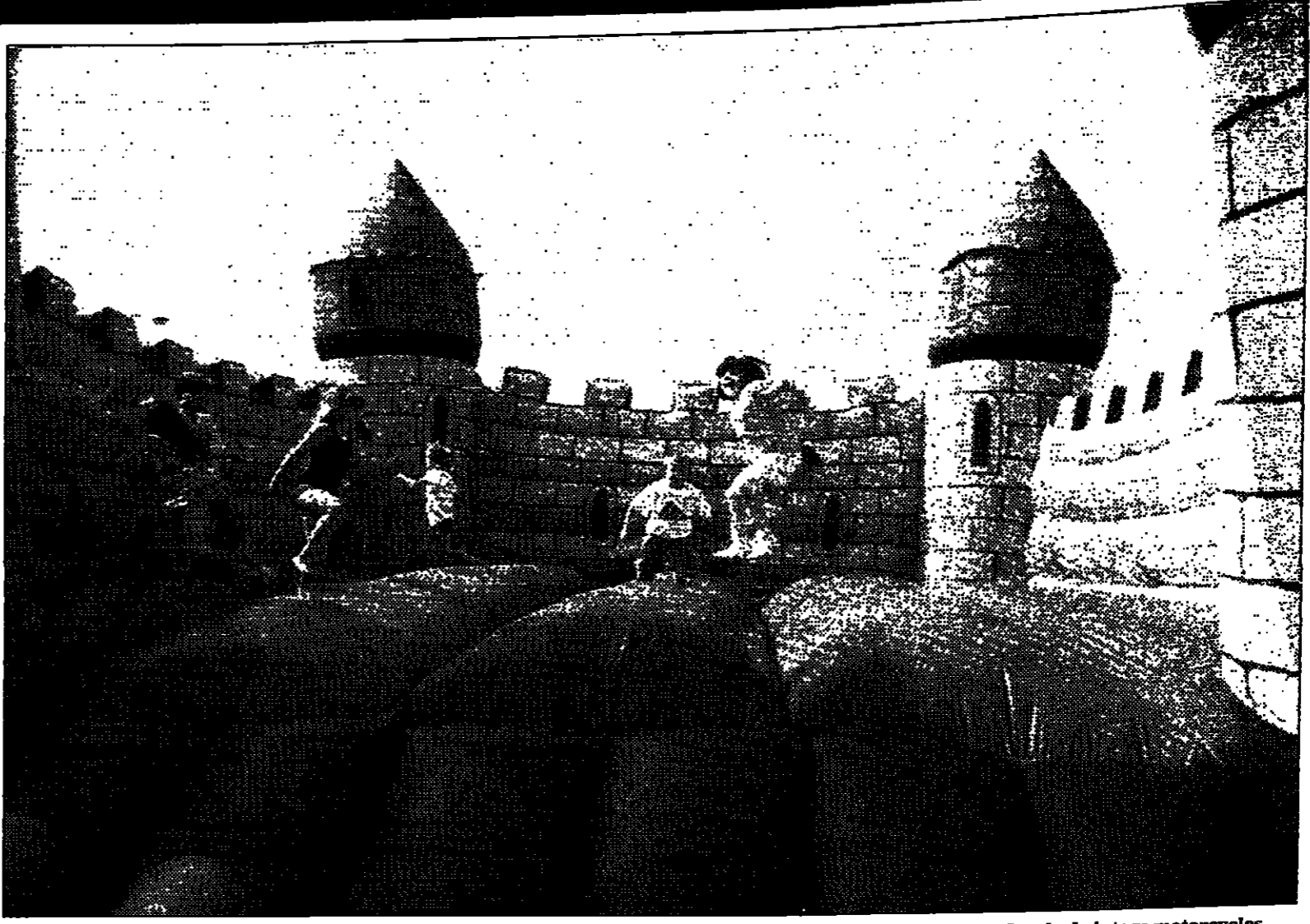
Independent Insurance runs a similar scheme called Special Events Insurance with similar terms. Cornhill offers public liability insurance

in case anyone should injure themselves. The insurer has three classifications of risk associated with the event.

"Safe" events such as bar mitzvahs or garden parties cost £70 per £1,000,000 liability to insure for one day. Higher up on the risk scale, an athletics event would cost £80 per day for the same amount of cover. Higher-risk events such as traction engine rallies or large raves cost £100 per £1,000,000.

Organisers should think carefully about insurance even if there seems to be little risk associated with the event. Mark Bishop, Head of Corporate Affairs at Cornhill insurance, recalls an incident at a charity fete which caused the company to pay out thousands of pounds when a bouncy castle blew away.

He says: "The wind blew the castle off its tethers with several children in it. There were no injuries, but the castle crashed into a row of vintage motorcycles. A domino effect meant that a lot of bikes were damaged."



Castles in the air... At one fete, a children's bouncy castle took off in the strong wind before smashing into a line of parked vintage motorcycles

Investors join queue in unlikely hope of a supermarket bargain

Rachel Baird

SHOPPERS are lining up to own a piece of supermarket chain Somerfield. Some 80,000 people have registered their interest in its share offer so far.

Somerfield has 609 stores around the country, mainly concentrated in the South-west, Scotland and East Anglia.

In the last full financial year (to April 1995) the company made pre-tax profits of £23 million, up marginally from £22.7 million. But on Monday Somerfield will reveal what it hopes will be a much healthier performance in the year to April 1996.

Chief executive David Simons expects a continuation of the trend established during the half-year to October 1995, when profits jumped by about 40 per cent. He says he and his fellow directors will be investing "very substantially" in the company.

But should the rest of us? Supermarketing is a painfully competitive business at present, with the rash of "loyalty cards" and a recent fall in Sainsbury's profits as evidence of the battle for custom.

The future for retailers is not as rosy as it was five years ago, warns Lloyds Bank Stockbrokers assistant managing director Giles Galbraith. To make matters worse, he believes Somerfield "is not of the same quality" as Tesco, Sainsbury's and Asda. This will damage profits, says Mr Galbraith.

Unless its shares are sold at a discount to those of the major supermarkets, the offer is "not going to be particularly exciting", with no large in-

stant profit for small investors, he warns.

Lloyds Stockbrokers is not advising clients to buy Somerfield shares although the broker might do so if the offer is made more attractive.

In Somerfield's favour, the food industry is a "relatively defensive area" because people have to eat even when times are hard. There are unlikely to be sharp falls in demand, Mr Simons admits that Somerfield's profits relative to its sales are low.

People must apply for shares before they know this — it will be declared after the share offer period has closed — but they can specify a maximum price above which they do not want shares. The minimum investment is £1,000.

At least a fifth of the shares are being reserved for small investors. Those interested in the issue should register with one of six share shops — including Barclays Stockbrokers and Skipton Building Society — which will not charge for their service.

Share shops will send out mini-prospectuses and share application forms next week. These will indicate an expected price range for shares, although not the final price.

Legal & General has also slashed the cost of entry to its unit trusts by abolishing initial charges of up to 6 per cent. This means that all investments attract growth from day one. The company estimates that in the first five years of a £10,000 investment, an investor could be in for an extra £205.

This week's new trust launches include a smaller company Japanese fund from Waverley. Kleinwort Benson has cut the initial charge on its recently launched India fund to 3.5 per cent.

Charge cuts to tempt savers

Rachel Baird

CASHPOINTS

■ FLEMINGS, the UK's largest investment trust manager, is to cut all charges to new investors in its Investment Trusts Share Plan for regular investors.

The share plan allows investors to buy into a range of 21 trusts and to switch between the trusts free of charge. Shares will be held in a nominee account.

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Degrees of debt grow for undergraduates

Rachel Baird

TYPICAL student debt has jumped by nearly a third over the last year to £1,928 with 35 per cent of students forced to work during term-time to buy basic necessities, Barclays Bank said this week.

And its survey of 1,500 students showed a sharp rise in the proportion who say they are concerned about their debts — up from 10 per cent in 1995 to 16 per cent.

Almost a third say they are "resigned" to their debts, while 29 per cent feel pleased or unconcerned about them. Four-fifths of all students were in debt.

Student loans account for by far the biggest slice of debt, representing 67 per cent of the money owed. Debts to banks make up 18 per cent of average borrowings.

Yet the proportion of students' debts owed to banks has fallen from 25 per cent in 1992 to 18 per cent in 1995 — although the actual amount has risen to an average of £356.

Students are seen as good potential customers, earning as they do relatively high salaries once they have graduated. Almost three-quarters of those in the Barclays survey said they would stay with their current bank after graduating, up from less than half in 1993. So banks are keen to attract students and Lloyds, Midland and NatWest

Accounts on offer

Bank	Interest free overdraft	Incentives
Lloyds	1st year £500 2nd year £750 3rd year £1,000 4th year £1,250 5th year £1,500	A Young Person's Railcard (worth £16) & £20 Virgin Megastore voucher or £30 cash
Midland	1st year £750 2nd year £1,000 3rd year £1,250 4th year £1,500	£10 free calls on BT chargecard and £40 credit
NatWest	Up to £1,000	£20 cash

have already launched their student accounts for 1996-97.

The Midland's student package includes a £40 cash gift plus £10 of free calls on a BT chargecard. Interest-free overdrafts of £750 are available in the first year, £1,000 in the second and £1,250 in the third and any subsequent years of study. The interest rate for borrowings beyond these amounts is 1 per cent above the bank's base rate. There are no overdraft fees for two years after graduation.

NatWest's student package includes an interest-free agreed overdraft of up to £1,000 and a cash gift of £20 for first-year undergraduates who open an account between now and November 30. There is also a free Visa card (subject to status) for three years and a £15 cashback on first use before November 30. The interest charge on debts above the £1,000 overdraft is an annual percentage rate (APR) of 9.3.

First-year students can qualify for a £500 interest-free overdraft from Lloyds Bank. Second-year students can borrow £750 interest-free, rising to £1,000 in the third, £1,250 in the fourth and £1,500 in the fifth year. Students opening an account qualify for a Young Person's Railcard (worth £16) plus a Virgin Megastore voucher for £20, or £30 cash.

Interest charged on agreed overdrafts above the standard interest-free amounts is 7.9 APR. There is a package for graduates including an interest-free overdraft of £700 in the first year after graduation and £350 in the second.

Lloyds has recently launched an account for sixth-formers, the 1619 account. It gives them a cashpoint card, cheque book, cheque guarantee card at bank managers' discretion and monthly statements, plus a £10 voucher for HMV or River Island.

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The M&G PEP

■ THE Co-operative Insurance Society this week pledged not to increase its home and insurance premiums before October 1997. Elsewhere, Lloyds Bank claims that the cost of its average building insurance policy has fallen by 20 per cent over the past two years.

The Woolwich has launched a new five-year guaranteed growth bond which provides an increasing return. The bond, with a minimum investment of £1,000, pays net returns of 4.8 per cent during the first year, 5.2 per cent during the second year, 6 per cent during the third year, 6.8 per cent during the fourth year and 8 per cent during the fifth year.

NatWest has increased the interest on its two-year Personal Savings Bond — up to 5.2 per cent net.

■ THE Building Societies Association has produced a useful leaflet explaining how to ensure you are getting the most from your savings.

It explains how building societies charge interest and how that interest is taxed. It also outlines how to avoid paying tax if you are not liable — and how to reclaim overpayments.

The leaflet is available from the BSA, 35 Savile Row, London W1X 1AF by sending a stamped addressed envelope.

■ THE Consumers' Association has published a new guide, Giving and Inheriting, which aims to help the six out of 10 adults in Britain who have not made a will to consider arranging their financial affairs before they die.

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July 11 1996

Pension schemes leave women out in the cold

Andrew Verrity and Teresa Hunter

THE scale of discrimination against women in the workplace was highlighted this week by the disclosure that only two out of every 10 females aged between 25 and 64 are members of company pension schemes.

The degree to which women are excluded from the privileged club of employees with attractive pension expectations was revealed for the first time in the most comprehensive survey ever conducted by the Department of Social Security on women's pensions before and after divorce.

It coincided with a DSS forecast yesterday that the gap between better- and worse-off pensioners would "increase significantly" over the next 30 years. In a report analysing pensioner incomes to the year 2025, the DSS concluded that the basic state pension will reduce in importance and only those with the fittest pensions will see their buying power keep pace with inflation.

This makes more alarming the disclosure that even among younger women—aged 25 to 34—fewer than 30 per cent are members of occupational pension schemes, as are only 14 per cent of 55- to 59-year-olds.

Fewer than half of all females—only four out of 10—have pension savings of any kind apart from their basic state pension and only 15 out of 100 have made private provision through a personal pension.

But actuaries and pensions professionals are already gunning for Labour's new pension policy which promises to equalise women's pension incomes. They warn that men's retirement income could come down by up to 13 per cent, while women may not benefit.

Labour last week announced a policy of giving women equal pension income for equal contributions, meaning the same pot of pension money buys the same income.

Because women live longer they currently get an annual income up to 13 per cent less than men when they use their pension fund to buy a retirement annuity, which pays a guaranteed income until the pensioner dies. This is because the providers of annuities expect to pay out for longer because of women's

longer life expectancy. But insurance companies and actuaries say Labour's proposals would force them to pay men the same income as women.

Watson Wyatt's actuary, Nicola Footo, says: "Men should get higher incomes from annuities than women simply because they don't live as long. Women are going to live longer so they should expect less annual income; the policy does seem unfair on men."

At present, a man aged 65 can buy an annuity that pays £11,612 a year with a pension fund of £100,000; a woman aged 65 with the same fund will get £10,148—12.6 per cent less.

Labour hopes to equalise that by using unisex annuity rates which ignore the differences in life expectancy. Theoretically, they would give an income based on an average life expectancy of women and men. But actuaries warn that annuity providers would initially be forced to set the new unisex rates at the present women's level rather than a mid-point.

MIKE Pomery, deputy chairman of the pensions board of the Institute of Actuaries, says: "If a company were expecting 50 per cent men and 50 per cent women to buy its annuity rates could pitch the annuity rates between the two, but insurance companies have no way of knowing how many women would come in or how many men or women will buy annuities from them, and how many will decide not to buy their annuity and find better pension incomes elsewhere."

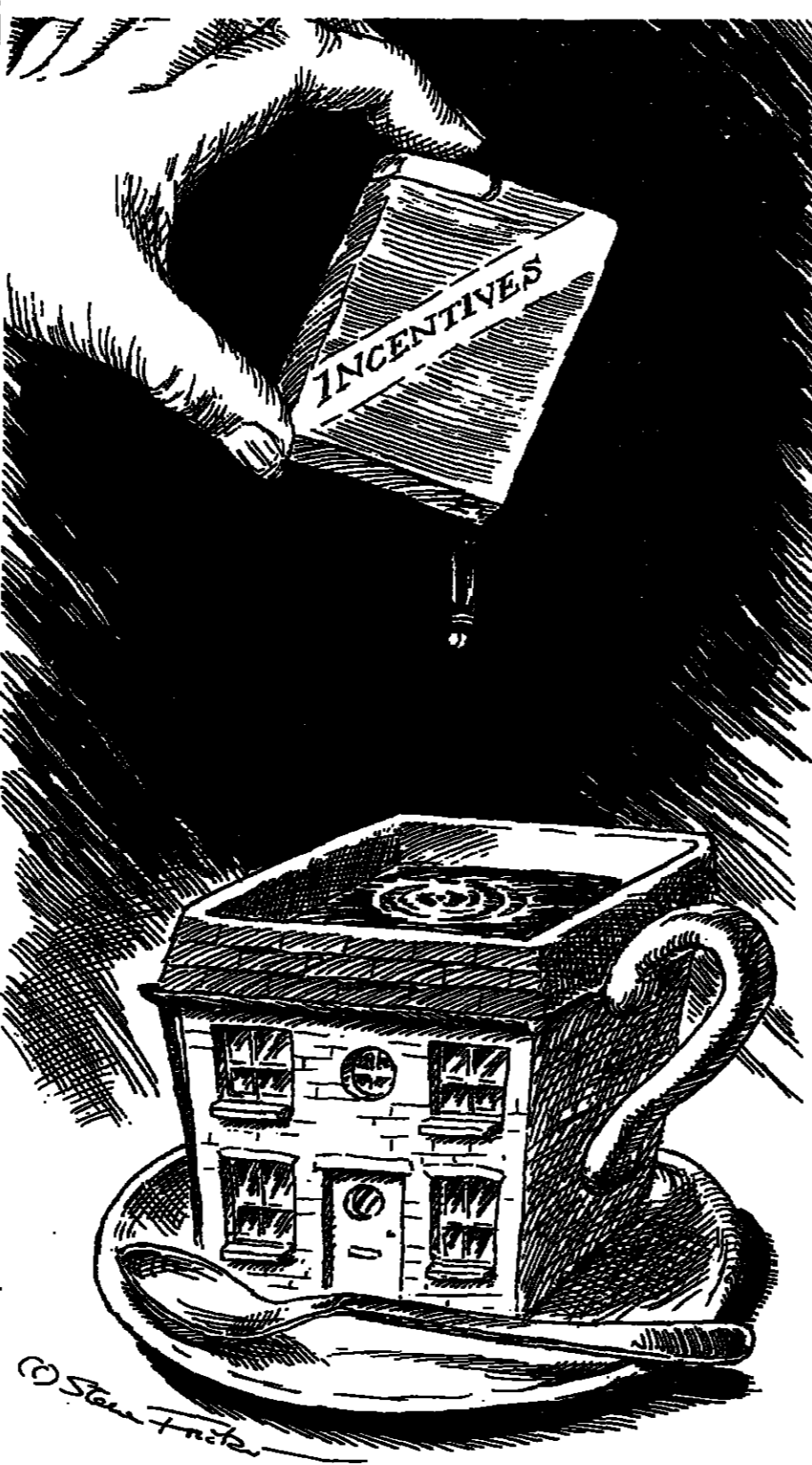
"Too many women and too few men on their books would mean they could lose a lot of money; instead they could use current female rates, letting men suffer without women gaining."

Unisex annuity tables are already applied to compulsory pension schemes such as Serps—the state earnings-related pension scheme. Members of large final-salary pension schemes, such as those for teachers, civil servants and NHS workers, would also be unaffected by Labour's policy because they do not have to buy annuities.

According to some actuaries the annuities market may eventually set the new unisex annuity rates to give a higher level than women now receive but would still give lower incomes to men than at present.

Lenders have signalled the end for discount mortgages and cash-back deals. RACHEL BAIRD reports

Sweeteners to be dissolved



TIMES are getting tougher for home buyers, with lenders cutting back on mortgage discounts.

On Monday, the Britannia will follow the lead given this week by the Cheltenham & Gloucester and Bradford and Bingley by tightening up on home loan giveaways—and the Birmingham Midshires plans to follow.

Britannia has withdrawn its one-year discount rate mortgage—which cut the standard rate by 4.75 per cent—and its one- and two-year discount rate for first-time buyers. The terms of other discounts across its entire range are also now less attractive.

The moves follow Bradford and Bingley's recent withdrawal of all its one-year discount mortgages, and Cheltenham & Gloucester's restrictions on the availability of its cash-back and discount mortgages. C&G claims "the industry's current level of incentives is unsustainable".

The C&G had paid new borrowers with a 10 per cent deposit a cash gift of 5 per cent of the loan up to a maximum of £7,500. But now only borrowers with a 25 per cent deposit can qualify for such big discounts—or for a first-year discount. Borrowers with a deposit of between 5 per cent and 25 per cent can now benefit from a 2 per cent cash gift up to a maximum of £4,000.

Discounts were only possible if lenders imposed heavy penalties on borrowers repaying their mortgages early, said Britannia's head of lending, Gerald Gregory.

Furthermore, cash-backs and discount mortgages are offered to new borrowers at the expense of existing customers, who are subsidising the incentives, according to the Consumers' Association magazine, Which? Britannia's revamped mortgage range includes a new five-year discount loan, which offers a discount of 1 per cent on the standard variable rate of interest charged on a mortgage for up to 90 per cent of a house's value.

The largest building society, Halifax, attempted to withdraw cash-back mortgages but competition from other societies forced it to re-introduce them in January. Concern about discounts and cash-back mortgages follows Bank of England warnings that lenders must be careful about the terms on which they do busi-

Where to look

Rate %	Period	Fee
Long-term fixed rates		
Coventry BS	6.75 to 1.3.01	3%
TSB	8.45 to 30.4.06 for 5 years	£250
Chorley & District	6.99	2.5%
First-time buyers' fixed rates		
Bristol & West	0.95 to 30.8.97	£275
Northern Rock	7.49 to 1.8.01	£295
Lambeth BS	4.19 to 1.9.98	£295
Capped rates		
Barclays	3.75 to 30.4.97	£100
B'ham Midshires	7.99 to 1.7.01	£295
First-time buyers' discounts		
Halifax	5.63 to 30.9.01 (disc 1.36%)	—
Northern Rock	0.99 to 1.8.97 (disc 6%)	£295
Greenwich BS	4.19 for 3 years (disc 2.80%)	—
Other discounts		
B'ham Midshires	5.35 to 1.1.01 (disc 2%)	£295
Northern Rock	0.99 to 1.8.97 (disc 6%)	£295
Mercantile	5.24 to 1.1.01 (disc 1.5%)	£195
Incentives on standard variable rate		
Bristol & West	6.99	£100
Cash-back—4% of advance, max £7,500		
Halifax	6.99	—
First-time buyers only: 5% of advance rebated (max £10K) plus £300 for legal costs plus free valuation (up to £405)		

Source: Moneyfacts

ness and the way they account for it.

For people seeking out the best mortgage deals, Moneyfacts identifies the Bank of Scotland, Leeds & Holbeck Building Society, NatWest Mortgage Service and TSB as offering some of the best long-term fixed-rate deals. All four are offering fixed rates of around 6.5 per cent until 2006.

Three new mortgages came on to the market last week. Lloyds TSB Group's Mortgage Express service launched the Investment Mortgage, for people wanting to buy property as an investment. The minimum loan is £15,000 rising to a maximum of £500,000. The maximum loan to value is 75 per cent, at which interest of 1.5 per cent above the bank base rate is charged.

Norwich and Peterborough

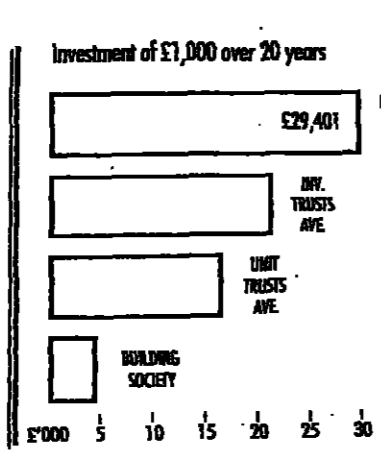
has launched a mortgage offering a 2.5 per cent discount for one year, for new customers who put down a 15 per cent deposit. Its current mortgage rate is 6.74 per cent. There is a free standard valuation and no up-front fees. Up to 85 per cent of the valuation or purchase price can be borrowed.

Staffordshire building society has launched a "loyalty mortgage" rate of 6.75 per cent for all home loans completed before January 1, 1991. The rate is discounted from the society's standard variable rate of 6.96 per cent and will help some 20,000 people, said the Staffordshire. Another sensitive issue for building societies was raised by reports that the Halifax is facing court action about the way it calculates interest payments on repayment mortgages.

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Leading institutional investors may shun shares in privatised British Energy as overpriced and too risky

Saturday Notebook

City threat to nuclear float

Shortfall taxes Clarke credibility

Simon Bewley and Chris Barrie

BIG City investors are threatening to shun the forthcoming sale of the nuclear company, British Energy, complaining that the flotation was too risky and overpriced.

by the Government's advisers, BZW, who last night insisted that the issue was progressing smoothly with enough indications of interest to cover the issue.

Another fund manager questioned claims that British Energy would be a strong cash generator, arguing that the management seemed already to have decided to invest the cash in non-nuclear diversification, for example in gas-fired generation plants.

Small investors could be paying a second instalment of anything between 180p and 280p. But BZW said it has received enough offers from institutions to cover the allocation of shares reserved at between 200p to 280p in the first two days of an international book-building exercise.

dividend payments following its decision to include six specific health warnings about factors which could lead it to cut the payout.

It was rare to find such unanimity or such detailed questioning of a company's fundamental value.



Edited by Mark Milner

FORGET the feelgood factor for a moment. Any finance minister whose party has a date with the electorate in the not-too-distant future would like to bolster its prospects with something a little more substantial.

currency would have on interest rates. On the assumption (and it is a pretty big one) that the euro would command similar respect to that enjoyed by the German mark, then the interest rate premiums that investors demand for holding (say) US gilts or French bonds over comparable German government securities would disappear.

Cautious Clinton

ACROSS the Atlantic, Bill Clinton is facing a different set of challenges in the run-up to the presidential election. The latest non-farm payroll data yet again showed that the US economy is creating jobs at a rate that has, over the past few months, consistently outstripped analysts' forecasts.

In almost ritual fashion, the US stock and bond markets again took flight. The Dow Jones average slumped more than 100 points.

The markets are worried that the US economy is growing too fast or at least too much so for the peace of mind of the Federal Reserve, the US central bank. The fear is that the Fed will raise interest rates to dissuade rampant inflationary pressures.

Price fall-out

THE privatisation of British Energy was always going to be tricky. Forget the political problems that beset the sale of the coal industry or forced the Government to remove the Post Office from the "for sale" list.

Dearer postage blamed on the Treasury

Alan Jones

THE Post Office, which is involved in a dispute with its sorting office and delivery workers, yesterday reported profits of £422 million for the past year, down by £50 million on the previous 12 months.

The Royal Mail part of the business, which will be involved in talks over the weekend to try to avert further postal strikes, achieved pre-tax profits of £411 million, against £449 million the previous year.



Between the lines... Post Office will take part in talks this weekend to try to end dispute that has caused two one-day strikes

the Royal Mail was competing against new forms of communication in an increasingly global market place.

lower after next week's increase. "It is absolutely vital, however, that Royal Mail drives even harder to improve its competitiveness if it is to continue its success in the future," Mr Roberts said.

record figures in 1996/97, as did TV licence sales. Post Office Counters made pre-tax profits of £36 million and over the year became the leading retailer for National Lottery and Littlewoods Lottery scratch cards.

that a series of harmful industrial relations disputes within Royal Mail which cost £2,000 lost days last year raised issues which "cannot be glossed over".

demands and the increasing impact of technology without our moving away from being primarily a full-time employer.

Rate fears rattle US traders

Jobs growth panics Wall St but City keeps its cool, report Mark Tran in New York and Sarah Ryle

WALL Street reacted dramatically to the unexpected drop in US unemployment last night as it became almost certain that the American authorities will increase interest rates to combat inflationary pressure.

the lowest level in six years, as 239,000 jobs were created in June.

The financial markets went into a tailspin over the jobs figures. The benchmark 30-year bond plunged more than 3/4 points, pushing the yield back up to its yearly high of 7.18 per cent.

300 jobs go as Rover ends late shift

Chris Barrie Business Correspondent

MOTOR industry optimism that car sales will top 2 million for the first time in six years was dampened yesterday when Rover announced it was cutting production at its Oxford plant at the cost of 300 jobs.

Rover, owned by the German car company BMW, said between 800 and 1,000 workers would be switched to a longer day shift involving a 2,000-strong workforce.

stepping up exports abroad in an attempt to boost profit margins.

pected a recovery in sales, the recovery was "earlier and stronger than anticipated".

Despite jangling market nerves, observers said there was little chance that the British authorities would raise interest rates even if the Federal Reserve was forced to, and some predicted a cut in the 5.75 per cent base rate.

Utilities lobby 'will not make Labour drop windfall tax'

Colla Weston Industrial Correspondent

LOBBYING by the privatised utilities will not prevent Labour from levying a windfall tax on their profits, Gordon Brown, Labour's Finance spokesman, said yesterday.

The levy — which has not yet been decided — would be used to tackle youth unemployment and the inadequate skill levels of many 16- to 25-year-olds.

Shuttle's record

Debt-ridden Eurotunnel has best day, writes KEITH HARPER

THE Channel Tunnel broke new records last month by carrying 183,782 vehicles on Le Shuttle, the rail connection between Folkestone and Calais. It also achieved its highest daily total.

car traffic on Le Shuttle rose by 15 per cent in June compared with May.

During the week some banks were trying to offload debt. According to one analyst, several tranches of debt, each with a face value of about £65 million, had been on offer. Bid prices of about 40 per cent of face value have been quoted, he said, with buyers coming mainly from US hedge funds.

Pearl of a deal with £350m bonus bound for customers

Teresa Hunter

INSURANCE group Pearl is to pay its with-profits policyholders a special bonus of £350 million, after a funds review showed a surplus of nearly £2 billion.

had built before 1965, but its spokesman, Ken McKay, pointed out that if policyholders had claims to the £2 billion nest-egg it would be the customers of 30 years ago.

Under the terms of the £350 million distribution announced yesterday, a 25-year endowment policy which began in 1975 with a sum assured of £5,000 will receive a bonus of £246.

Advertisement for 'On the Canal' featuring a boat and various services. Includes text like 'More', 'Price', 'Tunnel holders', 're got', 'wer', 'Pearl of a deal', 'bonus bound for customers', 'had built before 1965', ' spokesman, Ken McKay', 'pointed out that if policyholders had claims to the £2 billion nest-egg it would be the customers of 30 years ago.', 'He added: "How do we go about trying to track down customers whose policies matured 30 or 40 years ago?"', 'These and subsequent policyholders may well feel aggrieved that Pearl is now sitting on a golden egg, given that its returns to with-profits policyholders have not been particularly competitive over the years.', 'Under the terms of the £350 million distribution announced yesterday, a 25-year endowment policy which began in 1975 with a sum assured of £5,000 will receive a bonus of £246.', 'A £300-per-month pension contract which began in 1987 will receive £508 when the policy matures.', 'Other life companies which have already paid a special bonus to policyholders following a similar review include United Friendly and Legal & General.', 'Insurance company share prices rose yesterday after the Pearl deal was announced.'

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Cows on the Grand Canal as farmers express their beef in Venice

LIVESTOCK breeders saddled cows along Venice's Grand Canal this week to press demands for aid after slumping sales blamed on the BSE crisis. Police stopped the nearly 15,000 protesters from leading the animals into Saint Mark's Square. The demonstrators waved flags and rang cow bells alongside the hay-lined barges. Later, breeders blocked the causeway connecting Venice to the mainland. Protests have been mounting for government assistance to help offset losses after British researchers linked the cattle ailment to a fatal human variant, Creutzfeldt-Jakob disease. Beef consumption in Italy has dropped, dragging down the wholesale price for cattle.



Greece takes marketing on to virgin oil

Ancient home of the olive hopes that sales drive in northern territories such as Britain will bear fruit. HELENA SMITH reports from Athens

WHEN is an olive not a real olive? When is olive oil truly virgin and Greek? These are the questions Greece's olive oil industry has been forced to ask itself as it battles its biggest identity crisis. Greece is blessed with 120 million olive trees and its people remain the biggest consumers of olive oil world-wide, accounting for 20 litres each per year. But, as the country's depleted foreign exchange reserves testify, Greece is having more than a spot of trouble selling its ancient commodity abroad, even though its long summers ensure it produces more premium-quality oil than any other nation.

"Britain is typical of the lack of success Greek-packaged olive oils have had abroad because of the insufficient attention that has been given to packaging and presentation," says Michael Callaghan at the British Hellenic Chamber of Commerce. "Despite demand, Greek exports to Britain have languished at around 6 per cent for the past four years. Because of growing British interest in Greek cuisine, Greece now has an ideal market there over the next 12 months."

International neglect of the Greek olive's products stems almost entirely from the fact that local growers and distributors did not bottle and can olive until the 1960s — unlike the Italians, who began to market bottled oil 70 years ago. With most Greeks obtaining the national staple from their family village or buying it in bulk from itinerant salesmen, there was seen to be little need to bottle the commodity. As the 400,000 families working in the field now try to make up for lost time, the industry has vowed to take advantage of new European Union legislation which seeks to encourage environmentally friendly packaging.

The Greek industry is working on new packaging and labelling that will conform with the regulations and highlight olive oil's "green" qualities. Last year, a Hellenic Olive Oil Promotion Committee also began developing appellation rules for indicating an oil's origin. "Our problem is one of marketing and we are trying to improve it in every way," says Dimitris Gerassopoulos at the EU-funded Mediterranean Agronomic Institute in Crete. "We are now in our third year of developing organic olive oil in order to make our product that much different."

Government forced ever closer to bailing out the once-illustrious bank which no domestic buyer wants

France in Crédit squeeze

Alex Duval Smith in Paris

THE French government is under pressure to agree to a third restructuring plan for Crédit Lyonnais — the state-owned bank which has lost more than Fr20 billion (£2.5 billion) in four years and for which no buyer seems forthcoming. Observers believe the government, while officially insisting that the bank must make further savings, will be obliged to inject more cash by the end of the summer. Last week the finance ministry repeated that the bank must step up rationalisation moves — already including 3,500 job cuts since March 1994

with a further 5,000 promised by 1998 — if it wants government support. "The savings do not show much from the outside and it [the bank's management] must show that it is willing to go further," the ministry said. Despite gaining sympathy and unexpected breathing space when its head office in the Boulevard des Italiens burned down in May, the bank needs to find a way out of recording an estimated loss of up to Fr2 billion this year. The bank's president, Jean Peyrelevade, argues that he is doing all he can and that a continued decline will have a disastrous effect on the image of French banking. The government, calling for further rationalisation, despite a 22.1 per cent unemployment rate, has already lost

Fr45 billion — more than the 1995 social security budget, cuts to which prompted strikes last December. The government also faces pressure from other French banks, which argue that a third restructuring plan would run counter to European competition directives. Société Générale has already protested in the European Court of Justice against the second plan, published in March last year. The bank's troubles date from the 1980s, when it developed an appetite for property and acquired several foreign banks at inflated prices. It found itself in court, attempting to reverse miscalculations which included bankrolling the MGM chief, Giancarlo Piretti, and the businessman Bernard Tapie.

Despite losses which rose from Fr3.8 billion in 1993 to Fr12.1 billion in 1994, the bank managed to retain the loyalty of its 4.5 million customers. In 1994 it was the world's biggest bank, and until the 1980s it was the leader in France. Now the burnt shell of the bank's headquarters — once one of the most splendid office buildings in Paris — seems a fitting monument. According to Bruno Alesat and Corinne Lhalik, who investigated the bank for L'Express news magazine, both restructuring plans — the first in March 1994 and the second a year later — were grossly miscalculated. The first, under which the bank sold off its 43 billion franc property assets, was insufficient. Under the second,

more draconian, the government created a holding company, the Consortium de Réalisation (Cdr). The Cdr took over Fr135 billion of Crédit Lyonnais's assets, including MGM, and was told to sell them by 1999. But the creative accountancy which brought the Cdr into being — a cheap loan from the bank to the holding company so that it might "buy" the assets before selling them on — backfired. Obligated to maintain the assets while the Cdr seeks buyers, Crédit Lyonnais has already spent Fr9 billion on them. Mr Alesat believes that even if the market for assets held by the Cdr were to soar — an unlikely scenario — the French state would be obliged to pay. "The only way out would be to sell the bank to a

foreign investor. This would be a difficult move, given the bank's history. Yet not one French bank is interested," he said. Analysts believe the French government has only two choices. The least painful would be to subsidise Crédit Lyonnais for maintaining the Cdr assets until they are sold. But that would not guarantee the bank's long-term health. The second, which would almost certainly prompt Mr Peyrelevade's resignation, would involve paring the bank down and privatising it. But this option — leading to mass redundancies among the 35,000 staff and the closure of foreign branches — has already been considered. In August last year it cost Alain Madelin, the finance minister, his job.

Eurotunnel shareholders: they've got the power

Letter

FIRST, I want to thank English shareholders for supporting our efforts at the Eurotunnel meeting. We received a great deal of support from investors in the UK, who sent us over 300 proxies. On June 27, I had more than 18,500 proxies for over 90 million shares. Our objective was achieved: we represented over one third of the voting rights at the meeting. Although the June 27 annual general meeting was not one at which shareholders would be asked to vote for the restructuring plan, we believed that it was of extreme importance in the negotiations with banks and the British and French governments. Until the meeting, Eurotunnel shareholders had rarely expressed any concern at such meetings via their votes. We felt it was time to change that practice and that without massive shareholder support, management was never going to be in a favourable bargaining position. By representing so many shareholders we sent a strong signal to the banks and to Eurotunnel's management that shareholders were acting as owners of the company. In accumulating the proxies, we had significant voting power. The banks can now see that shareholders could oppose a restructuring plan if the terms are not acceptable. Consequently management has more leverage to negotiate, and the board is more accountable to shareholders. Sophie L. Hélias, Franklin Global Investor Services, 1, rue du Faubourg Saint Honoré, 75008 Paris.

Attempt to make capital of Mantua irks merchants

John Glover in Milan

IN RENAISSANCE times, Mantua was the capital of the Gonzaga family's Duchy of Mantua. These days the sleepy city, an agricultural centre located in the lush floodplains of the mighty River Po, is a capital once again — of the Lega Nord's yet-to-be-formed nation of Padania. But some local business people complain that the city's new role as the seat of government for what the Lega constitutionally hopes will one day be an independent country, is damaging their businesses. This is unfair, they say. After all, it was the Lega that chose Mantua as its headquarters since the Lega was clobbered in the latest elections. "The mass media repeat that Mantua is the capital of the north; our consumers in the centre-south are alienated because we are from Mantua," wrote Leoni SpA, a Mantuan salami-maker, in a letter to the local authorities. "If things don't change," the letter continued, "then the company will have to move elsewhere." Leoni may not be the only Mantuan company facing a rebellion among customers further south. At least three others have been reported as having problems, although no names have been mentioned and several sources say things have been blown up out of all proportion. "It's not a serious situation, there hasn't been any quantifiable damage and no

State railway chief held by judge investigating Elf link to textile group

FRENCH judge yesterday ordered the arrest of the state railway's chief on fraud allegations relating to his management of the petroleum group Elf Aquitaine in the early 1990s. Reuter reports from Paris. SNCF chairman Lefk Le Floch-Prigent, 52, was held pending an investigation of suspected abuse of corporate funds, receiving the proceeds of fraud and issuing false information and accounts to help a textile businessman, who was a friend. The judge is investigating how Elf Aquitaine came to invest Fr787 million (£90 million) via offshore accounts in Bidermann's ailing ready-to-wear group from 1989 to 1993. The decision to detain Mr Le Floch-Prigent, which followed a 12-hour hearing, was a serious blow to SNCF. Two weeks ago, Mr Le Floch-Prigent — who was appointed as a respected conciliator after a 24-day strike last year — produced a plan for the loss-making railway, which appeared to have the support of its 180,000 staff. Mr Le Floch-Prigent's lawyer, Olivier Metzner, said his client had not even been questioned about the alleged offences. "Here is a man who is in prison without having been able to explain what he did or did not do in this case," he said. Meanwhile, SNCF said measures had been taken to ensure the railway company continued to function normally.

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Finance Guardian

To an audience of village elders, a barrister berates Shell. PATRICK DONOVAN says this suits Nigeria's military rulers



Mangroves and machines... Whatever the reasons for the drop in living standards, money is not coming back from Lagos to help support tribal communities in the Niger delta. That is being left to Shell

PHOTOGRAPH: SHELL PHOTO SERVICE

Oil inflames delta of discontent

GIVE him a wig and black silk gown, and Napoleon Agbedetse could have walked back into the south London courtrooms where he used to practise as an Inner Temple barrister. He is on the bank of the Abadino river, deep inside the mosquito-infested mangrove swamps of the Niger delta. Despite the shirt-soaking humidity, Mr Agbedetse is immaculately dressed in a heavy black pinstripe suit. Standing on the jetty amid a welter of gasping young boys, he cuts a hugely incongruous figure as he courteously greets representatives of the Shell oil company and prepares, yet again, to do verbal battle on behalf of the miserably poor Omadinio people. This is only one of the hundreds of remote rural communities in Nigeria who feel they are being cheated out of their birthright by foreign oil companies.

... tire revenue. But within the subsistence-level fishing communities like the Omadinios near the oil town of Warri, anger is steadily growing. Last week, 60 protesters forced Shell to shut down its drilling rig in nearby Jones Creek — the latest of a string of incidents throughout the Niger basin, where local communities' dissatisfaction has related pollution depends on which of the lobby groups you listen to.



Ken Saro-Wiwa... Shell was accused of doing too little

... is clouded still further by the failure of the national government to redistribute hefty oil revenues to the producing areas, and by the myriad local tribal tensions which make it almost impossible to get an accurate assessment of the views of local people.

... But their living standards have plummeted: wildlife is scarce, now, and fish yields are down. How much this is due to the pressures of population growth, lack of land management or oil industry-

... career for himself as a British-based barrister. Mr Agbedetse says that he was driven by his conscience to return to help his native Itsekiri tribe. Waiting until the Shell contingent has sat down in the corrugated tin-roofed meeting hall, Mr Agbedetse drops to his knees before Chief Sunday and the other tribal elders, some wearing bowler hats and all seated at differing heights to reflect their varying degrees of seniority.

... But Ms Wood still faces the huge pressure of funding. And the financial crisis, she says, has become even more difficult because of the huge international controversy surrounding the hanging of Ken Saro-Wiwa, which has made Nigeria a pariah state in the eyes of many corporate donors and charities based in the West. The most vulnerable sections of society in Nigeria, she says, are in a bottomless financial hole.

... toilets and will shortly be donating a health centre — the latest items from Shell's \$30 million a year community assistance programme for the Niger Delta region. A further \$100 million is allocated for the environment annually. He tries to raise the point that the Niger delta region is far more complex, and Mr Anderson claims that its influence on the hardline national government is far less than the West supposes it to be.

... Orphanage on knife-edge

... state-owned Nigeria National Petroleum Corporation has a majority holding. The group, which includes Elf of France and Italy's AGIP, pumps more than half of Nigeria's output of 3 million barrels a day, giving the country oil revenues worth \$7 billion, of which the government keeps 75 per cent.

... managing director, Brian Anderson, admits that adverse publicity surrounding its involvement in Nigeria has been "very bad" for the company's image, particularly the controversy surrounding the Saro-Wiwa hanging. But Shell insists that the situation in the Niger delta region is far more complex, and Mr Anderson claims that its influence on the hardline national government is far less than the West supposes it to be.

... it has inevitably contributed to the pollution of the environment although there is no obvious sign of any significant spillage within its operating areas in the delta.

... But Shell is now having to pay in full. It has played such a pivotal role in Nigeria's economy that it must bear some responsibility when the going gets rough. But the company's predicament may be useful, too, for the President's attention from the country's fundamental problem — the corruption and inefficiency in its own military government.

... Back in Nigeria's capital city, Lagos, the company's

... state-owned Nigeria National Petroleum Corporation has a majority holding. The group, which includes Elf of France and Italy's AGIP, pumps more than half of Nigeria's output of 3 million barrels a day, giving the country oil revenues worth \$7 billion, of which the government keeps 75 per cent.

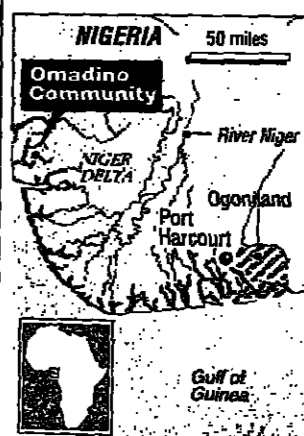
... At least 8 per cent of this revenue should flow back to the people of the oil-producing areas, according to the terms of a government decree. This is to increase to 13 per cent, although the higher figure has yet to be ratified.

... In practice, it appears that government aid has all but broken down, and Shell says that the administration is in arrears with its payments and failing to stump up enough money to meet targets for the joint-venture consortium. That puts even more pressure on the funds Shell and its other partners have for community projects.

... The problem is that for many of the rural inhabitants of the Niger Delta, Shell has effectively become the government. It may protest that it does not aspire to become a 21st-century version of the East India Company, and yet the more it seeks to pacify local people by taking over the role of building hospitals and providing schools, the more it replaces Nigeria's military dictatorship as a target for civil dissent.

... And yet Shell has been extracting oil here for 50 years. It may play the role of the community-minded Western oil company. But why is it only now making such a fanfare about its perfectly laudable programmes to replant the

... mangrove swamps and bury its pipelines if not to improve its public image? Of course attitudes change, but Shell cannot ignore the fact that it has drained billions of dollars of profits out of Nigeria during the last five decades. Its payback to the community has hardly been consistent over that period. And as with all oil explorers,



... it has inevitably contributed to the pollution of the environment although there is no obvious sign of any significant spillage within its operating areas in the delta.

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The price of medicine

20p

Archie Norman

ian King last week argued for keeping resale price maintenance on medicines. The chief executive of Asda says he is wrong.

WE HAVE calculated how much extra the public are paying for healthcare as a result of outdated resale price maintenance legislation. It is nearly £300 million a year. Some families are being overcharged by over £100 per year.

Since we cut our prices and delisted Anadin Paracetamol there has been all sorts of establishment indignation. The manufacturers have claimed they need the money for research into cod liver oil! The pharmacists' lobby group have claimed they will go out of business if they have to compete. And politicians are lying low: this is not a nettle grasping year!

We believe customers should be able to rely on fair prices and widespread discounts. The Government creates the income base for small pharmacies. Approximately three-quarters of their income comes from prescription margins. The wrong way to subsidise business is through licence to fix prices and limit competition. The right way is to pay the necessary margins for pharmacists to make a decent living out of providing the valuable prescription and advisory service they are best at.

The £300 million excess profit that RPM generates each year does little to help independent pharmacies. On many brand name pharmaceuticals, 50-60 per cent of the retail price represents the profit margins of the manufacturers and wholesalers. Most of the rest of the excess profit flows into the coffers of the major chains and supermarkets which dominate the market. Of every excess pound charged at the tills, only around 10p ends up with independent pharmacists. A less efficient subsidy is hard to imagine.

The establishment argument is that small pharmacists depend on price fixing for their livelihood. Yet only about 20 per cent of price maintenance over-

counter products are sold through independent pharmacists. The big multiple chains are the real beneficiaries.

Despite all the sanctimonious argument, nobody can refute the fact that customers pay less at Asda and the less well-off.

In reality RPM does simply equalise prices. It equalises them upwards, at a level which hits hardest the people who need these products most — families with young children, older people and the less well-off.

A leading brand of Vitamin C tablets has an enforced retail price of £2.59 for 30. Asda's own brand sells at 59p and makes a fair profit at that price. The extra £2 profit is a symptom of lack of competition.

We need more pharmacies not less: at the moment we are not allowed to open pharmacies in many of our stores because licensing legislation prevents new competition.

If we want small neighbourhood pharmacies, government action is needed — such as paying NHS prescription bills promptly.

Prescription margins have been cut, and are the same for multiples as for the village pharmacy. Surely the more remote pharmacies which meet a social need deserve a better margin.

Quick Crossword No. 8171

1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	32	33	34	35

Across

- 1 It holds cherry in drink (8,5)
- 8 Method of operation (7)
- 9 Passageway (5)
- 10 Alike — related by birth (4)
- 11 (of love) purely spiritual (8)
- 13 District (6)
- 14 Delight (6)
- 17 Horse-drawn carriage (8)
- 19 Mark left by wound (4)
- 21 Two times (5)
- 22 Onit (7)
- 24 Lake in NW England (8,5)

Down

- 1 Top — item of headgear (3)
- 2 Preparing hot food (7)
- 3 Long, difficult journey (4)
- 4 Afront (5)
- 5 Clint, say (anag) (8)

6 Norwegian dramatist (5)
7 Don't block this entrance! (4,5)
10 Gymnastic (8)
12 Legislative body (8)
15 Report (7)
16 Summer house (6)
18 Edible bulb (5)
20 Unpowered barge (4)

23 Stray (3)

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